

79LSB-024

HOUSE BILL 15, 1979

Title: AN ACT to amend W.S. 39-6-402(a) by creating a new paragraph (xi), 39-6-404(a)(xi) and by creating a new paragraph (xiii), 39-6-406(b), 39-6-502(a) by creating a new paragraph (ix) and 39-6-506(b) relating to sales and use taxes; providing that sales or use taxes will not be collected on trade-in value of motor vehicles exchanged for other motor vehicles; and providing for an effective date.

HOUSE BILL 15 1979

Introduced by: Lucy Donley

[illegible]

Continued on Back

House of Intro
 _____ To Com No. _____
 _____ Stand Report Do _____ Amd _____ Not _____
 _____ Com Whole Do _____ Amd _____ Not _____
 _____ 2nd Reading Amd _____
 _____ 3rd Reading Amd _____ Pass _____ Fail _____

Second House
 _____ To Com No. _____
 _____ Stand Report Do _____ Amd _____ Not _____
 _____ Com Whole Do _____ Amd _____ Not _____
 _____ 2nd Reading Amd _____
 _____ 3rd Reading Amd _____ Pass _____ Fail _____

1979

STATE OF WYOMING

79LSO-024.01

HOUSE BILL NO. 15

Sales & use tax exemption - motor vehicles.

Sponsored by: Representative DONLEY

A BILL

for

1 AN ACT to amend W.S. 39-6-402(a) by creating a new para-
 2 graph (xi), 39-6-404(a)(xi) and by creating a new para-
 3 graph (xiii), 39-6-406(b), 39-6-502(a) by creating a new
 4 paragraph (ix) and 39-6-506(b) relating to sales and use
 5 taxes; providing that sales or use taxes will not be col-
 6 lected on trade-in value of motor vehicles exchanged for
 7 other motor vehicles; and providing for an effective date.

8 Be It Enacted by the Legislature of the State of Wyoming:

9 Section 1. W.S. 39-6-402(a) by creating a new para-
 10 graph (xi), 39-6-404(a)(xi) and by creating a new para-
 11 graph (xiii), 39-6-406(b), 39-6-502(a) by creating a new
 12 paragraph (ix) and 39-6-506(b) are amended to read:

1 39-6-402. Definitions.

2 (a) As used in this article:

3 (xi) "ADJUSTED SALES PRICE" MEANS THE CON-
4 SIDERATION PAID BY THE PURCHASER OF A MOTOR VEHICLE, AS
5 DEFINED BY W.S. 31-4-101, EXCLUDING:

6 (A) ANY TRADE-IN VALUE ALLOWED ON A
7 MOTOR VEHICLE EXCHANGED AT THE TIME OF THE TRANSACTION;
8 AND

9 (B) ANY TAXES IMPOSED BY THE FEDERAL
10 GOVERNMENT.

11 39-6-404. Tax imposed.

12 (a) Except as provided by W.S. 39-6-405, there is
13 levied and shall be paid by the purchaser on all sales of
14 twenty-five cents (\$.25) or more an excise tax of three
15 percent (3%) upon:

16 (xi) The ADJUSTED sales price paid for motor
17 vehicles, ~~house-trailers, trailer-coaches, trailers or~~
18 ~~semi-trailers~~ as defined by W.S. ~~31-12~~ 31-4-101;

19 (xiii) THE SALES PRICE PAID FOR HOUSE TRAILERS
20 OR TRAILERS AS DEFINED BY W.S. 31-4-101.

1 39-6-406. Motor vehicles, house trailers, etc.;
2 declaration of sales price; payment of taxes.

3 (b) The ADJUSTED sales price of motor vehicles, OR
4 THE SALES PRICE OF house trailers, ~~---trailer---coaches~~, OR
5 trailers ~~or---semitrailers~~ shall be declared by the pur-
6 chaser upon a copy of the original invoice from the vendor
7 or upon an affidavit furnished by the department if not
8 purchased from a vendor, and the tax collected shall be
9 based upon the declaration or invoice.

10 39-6-502. Definitions.

11 (a) As used in this article:

12 (ix) "ADJUSTED SALES PRICE" MEANS THE CON-
13 SIDERATION PAID BY THE PURCHASER OF A MOTOR VEHICLE, AS
14 DEFINED BY W.S. 31-4-101, EXCLUDING:

15 (A) ANY TRADE-IN VALUE ALLOWED ON A
16 MOTOR VEHICLE EXCHANGED AT THE TIME OF THE TRANSACTION;
17 AND

18 (B) ANY TAXES IMPOSED BY THE FEDERAL
19 GOVERNMENT.

20 39-6-506. Motor vehicles, house trailers, etc.;
21 declaration of sales price; payment of taxes.

(b) The ADJUSTED sales price of motor vehicles, OR THE SALES PRICE OF house trailers, ~~trailer coaches,~~ OR trailers ~~or-semi~~trailers as defined by W.S. 31-12 31-4-101 shall be declared by the purchaser upon a copy of the original invoice from the vendor or upon an affidavit furnished by the department if not purchased from a vendor and the tax collected shall be based upon the declaration or invoice.

9 Section 2. This act is effective July 1, 1979.

10 (END)

Sales & use tax exemption - motor vehicles
FISCAL NOTE

LSO - 024.L1

Anticipated <u>REVENUE</u> to:	Fiscal Year 19	Fiscal Year 19
TOTAL ESTIMATED REVENUE	=====	=====

Anticipated ^{LOSS} COST to:	Fiscal Year 19 80	Fiscal Year 19 81
General Fund	\$2,030,000*	\$2,453,000
Cities, towns & counties	1,659,000	2,007,000
TOTAL ESTIMATED COST LOSS	===== \$3,689,000	===== \$4,460,000

*Includes \$3,000 for redesigning, printing and distribution of county treasurer's receipts.

1. These estimates were developed by the Department of Revenue & Taxation, based on the following assumptions:

- Wyoming sales tax collections from sales of motor vehicles will continue to grow at an annual rate of 21% per year (as it has during the FY 73 through FY 78 period);
- 53% of motor vehicles purchased have no trade-in allowance;
- Average trade-in allowances on the other 47% will remain at approximately 38% of the value of the new motor vehicle purchased;
- No additional counties will impose the county option sales tax. If the remaining eleven counties were to adopt the tax, the additional estimated loss to those counties and their cities and towns would be as follows:

FY 1980 \$368,000
FY 1981 446,000

- No additional personnel would be required to implement the provisions of this bill.
- Additional information may be obtained from the LSO Audit Division.

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