

## Property Tax and the 2024 Legislative Session

During and shortly after the Pandemic, much of Wyoming saw significant in-migration of people from other states. This movement of people into Wyoming was a result of our scenic beauty, rural nature, freedoms, and a general sense of restlessness in the nation. The influx of people created a hot real estate market and higher home prices, which resulted in higher residential property taxes, as assessed values skyrocketed in select areas. The increases in assessed value and property taxes, however, have not been uniform across the state.

Although Wyoming has some of the lowest residential property taxes in the country, the increased property taxes have pressed many homeowners' ability to pay. Higher residential property taxes have been particularly burdensome for older people on fixed incomes.

The Legislature has worked on the issue of rising residential property tax for the last two years. One challenge with providing residential property tax relief and reform are provisions within the Wyoming Constitution that do not allow the legislature to create a separate class of residential property taxes. Currently in our constitution, residential property is lumped in with commercial property and agricultural property when creating a taxation rate.

During the 2023 General Session the Legislature passed SJ3 - Property tax residential property class, which if approved by the voters in the next election would allow the Legislature to split out residential property tax to create a more appropriate residential property tax rate. This Constitutional change will be on the 2024 General Election ballot for voters to vote on.

The Legislature also passed HB99 - Property tax refund program, which broadened the income threshold and allowed more low-income residential property owners to qualify for the property tax refund program. HB99 is already providing relief, with nearly three times the number of homeowners qualifying for this program than the previous year and almost 10,000 homeowners receiving substantial relief.

However, our work is not done, as other property tax relief bills died in both the Senate and the House last session. After the 2023 Legislative Session, legislative leadership and the Joint Revenue Committee made property tax the committee's number one priority for interim study.

The Legislature will convene in February of 2024 for our budget session and our first priority is our constitutional mandate to pass a balanced budget. As the leaders of our chambers, we have made responsible residential property tax relief and reform our number one non-budget priority. We want to provide tax relief to Wyoming citizens, while not breaking the back of local government funding and funding for our public K-12 schools.

Remember, property taxes in Wyoming does not go to fund state government, but goes directly to our towns, counties, and schools to fund such things as snow plow drivers, teachers, and law enforcement.

We have coalesced around four priorities in residential property tax relief and reform. These four priorities include further amendments to the property tax refund program, property tax exemption for long-term homeowners, a cap on how much residential property tax can increase in a year, and a time-limited homestead exemption for all homeowners.

The specific bills we feel the Legislature should examine are:

- [HB0003 - Property tax exemption for long-term homeowners,](#)
- [HB0004 - Property tax refund program,](#)
- [HB0018 - Property tax-inflation cap,](#)
- [HB0045 - Property tax exemption-residential structures,](#)
- [HB0052 - Property tax-homestead exemption,](#)
- [HJ0001 - Property tax-classes of property and residential value,](#) and
- [SF0054 - Homeowner tax exemption](#)

In addition, we are sure there will be several individual bills brought forward that will be considered.

In conclusion, it is important that we touch on the proposed ballot initiative. Earlier this year, a group of citizens began seeking signatures for a ballot initiative to be placed on the 2024

General Election ballot. This initiative proposes to exempt half of a homeowner's residential property tax.

If passed, the ballot initiative that is being proposed will have a catastrophic impact on funding for many counties and municipalities across Wyoming, as well as creating a significant long-term funding challenge for K-12 education. We all need fire, police, roads and health care, and our schools are the life blood of our small communities.

Fully one third, over 30% of the benefit of this initiative, will go to homeowners in Teton County which is now America's wealthiest county. Does Wyoming want to incentivize more of the world's wealthy people to come into Wyoming to take advantage of our residential property tax breaks and further drive up our housing prices? Is this ballot initiative really a good idea for Wyoming and our communities?

This upcoming 2024 Legislative Session has some thoughtful solutions to bring targeted responsible residential property tax relief to Wyoming citizens. We pledge to work together to produce real relief to Wyomingites and encourage each of you to reach out to your legislators and ask them to do the same.

Ogden Driskill

President of the Wyoming Senate

Albert Sommers

Speaker of the Wyoming House of Representatives