



Ad Val Advisor

The Newsletter
for Wyoming
Property Tax
Appraisers

Inside: ♦ Note from the Administrator ♦ New Property Tax Relief Program ♦ Updated Ad Valorem Org. Chart
♦ CAMA Progress ♦ CAMA Maintenance Fees

Ad Valorem Tax Division Newsletter

Editor: Geir Solvang
Herschler Building

122 W. 25th Street

Cheyenne, WY 82002-0110

Director

Edmund J. Schmidt

Staff

Wade Hall, Administrator

David Chapman, Local Assessed Manager

Ken Uhrich, State Assessed Manager

Phone (307) 777-5200

FAX (307) 777-7722

Internet Address:

<http://revenue.State.wy.us>

From the Administrator

“New”. On an unseasonably warm early spring day—with a little new green grass showing in lawns and pastures—it seems an appropriate thought. “New” is a word you will see frequently in this newsletter (maybe that's why it's a newsletter?). By the time you read this, all three CAMA system vendors should have their "demo" systems installed here at DOR for our staff's and CAMA Selection Committee's review. One of these systems will eventually be the new CAMA system for the Wyoming Assessors. Dave Chapman will talk about the latest news regarding the selection process in the next article.

A newly enhanced DOR website with a considerable amount of new information will be appearing early next month. Barbara Royce of DOR plans to write about it in the

April issue of the Ad Valorem Advisor.

Wyoming now has a new property tax relief program passed in this just-concluded legislative session. A couple of articles appear later in this newsletter discussing this new program that will involve two DOR divisions, the County Treasurers and the County Assessors.

New programs and new technology have Ad Valorem staff thinking about new ways of doing business and new ways of serving our clients, customers, and stakeholders better. “Better”. That's the other word we hope to use a lot. Not just new, but new and better. That's what we're shooting for.

Wade W. Hall
Administrator
Ad Valorem Tax Division



CAMA Progress



With the unavoidable delay in the new CAMA project, we have been forced, much to all of our chagrin, to retrace a few steps with the next three vendors. At the very least, this process has been interesting.

Based on our experiences with our first attempt, we have been in contact with all three vendors and have better explained our project needs. Right up front, one of the

major differences in our approach has been the requirement to review each vendor's software applications here at the Department of Revenue. Presently, Colorado CustomWare (CCI) and Eagle Computer Systems (ECS) have installed their application here at the Department. As I write this article today, computer technicians from Cole Layer Trumble (CLT) are in transit to Wyoming to install software and to train the staff at DOR.

The Local Assessment staff has been receiving some introductory training. This is being done for three reasons:

1. The Division staff can begin their review of the products from the “State's Perspective” immediately;
2. The DOR and State IT staff can review the technology the vendor is proposing;
3. The Division staff can avail themselves to the selection committee for support during their review of the three applications.

To accommodate the review of the software, we have provided each of the three vendors' space on servers here at DOR. Additionally, we have created a space with three workstations that are connected to each of the vendor's software applications.

It is the Department's intention to allow the entire County Assessors' Association the ability to view the applications. However,



due to the number of people and the availability of workstations we need to prioritize when each group gets time with the applications. Consequently, the first priority is getting the software installed here at the DOR and having the Local Assessment staff trained in its use. The second priority will go to the Selection Committee. The committee should be able to review the applications during the weeks of April 12th and April 19th. The third priority is to open the applications for the remainder of the Assessors. This will occur after the committee has done their review work.

Those Assessors that may be in the neighborhood are welcome to drop by to take a look. Just be aware that space is limited and we may only be able to provide you access when the Committee leaves a machine free. Also, if the need arises, Assessors may be limited to one machine per county. Subsequently, please feel free to bring key members of your staff, but recognize that we need to give everyone an opportunity to view the CAMA systems.

As you can probably tell, everyone is quite busy these days. In the next two months, the Selection Committee will be involved with the following:

1. Review any amendments to the vendors' original Request for Proposal (RFP);
2. Evaluate the demo software in Cheyenne;
3. Review the results of reference calls that are being conducted now;
4. Review a summation of the financial Statements from the three vendors;
5. Perform a final grading on each of the vendors and, if all goes right, selecting the State's future CAMA system.

It's easy to see that the schedule is aggressive and requires each member of the Selection Committee to review a lot of material in a short period of time. I would like

to thank everyone for their patience and continued support of the project.

David Chapman
Local Assessed Manager
Ad Valorem Tax Division

≈

Property Tax Relief Program

The 2004 Legislature passed HB0034, which significantly modifies the property tax relief program for low income households.



The Governor signed the bill into law on March 16th. Here are some of the major changes from

the previous program. It will be administered by the Department of Revenue, rather than by the County Treasurers, and the State will issue the relief checks, not the counties. The income standard is no longer a percentage of poverty level; now it's 50% of the median household income in the county where the taxpayer resides. There are a couple of new requirements, too. First, the taxpayer must be a Wyoming resident for a period of at least 10 years immediately preceding the year of relief. Second, the taxpayer and the other members of the household can not have "non-exempt" assets of more than \$5,000 (adjusted annually for inflation). "Non-exempt assets" include bank accounts, investments, real estate other than the property subject to the relief application, and motor vehicles in excess of one per adult member of the household.

The Department is in the process of finalizing rules that provide support and detail for the bill. Since the bill is retroactive to January 1, 2004, these rules will be instituted on an emergency basis and then put through the adoption process to make them permanent. DOR is also preparing the application forms; as

soon as those forms are finalized, we will print them and provide copies to all of the County Treasurers since many of the applicants under the previous program will, in all probability, still be looking to the County Treasurers to help them with the forms and to take their applications.

We at the Department look forward to working with the County Treasurers in the months to come to make this new program work. Certainly, it will need the cooperation and support of the counties, particularly the County Treasurers, to achieve its maximum benefit to the people of the State.

Jim Painter
Special Projects Coordinator
Department of Revenue

≈

Additional Property Tax Relief Information

The application form Jim mentioned in his article will also be available in Adobe Acrobat format on the DOR website (<http://revenue.state.wy.us>) in the next few days. A special telephone number, **(307) 777-7320**, has been procured for the program (*please* use this number for all Property Tax Relief questions, not the main DOR or Ad Valorem telephone numbers) and it should be running within a few days. Also, while the Ad Valorem Division will be providing research and technical assistance for the program, day-to-day administration of the program will be accomplished by the DOR's Administrative Services Division. This division of DOR handles much of the financial affairs for DOR and is a logical choice to administer what largely amounts to a money-based program.

DOR's Administrative Services Division will be sending application forms and envelopes to the

County Treasurers shortly. In the meantime, the following is a brief "Frequently Asked Questions" ("FAQ") section. Please note that this is a summary of requirements, etc. The application and under-lying rules are more specific:



Who is eligible?

A Wyoming resident who qualifies under the income and asset requirement and who has been a permanent resident of Wyoming for the immediate 10 years prior to applying. The property taxes for the tax year for which the taxpayer is applying CAN NOT be or have been delinquent.

What is the definition of a permanent resident?

"Permanent resident" is a person who lives in Wyoming for at least 6 months of the year. An exception is made for those who are members of the United States military who declare Wyoming their permanent residence but may be stationed elsewhere for all or part of a year.

What property qualifies for the tax relief?

The taxpayer's principal residence. "Principal residence" is the primary residence or domicile, the address of which may be reflected on a driver's license, federal income tax return, and/or voter registration.

What are the income and asset requirements?

The total household income for all residents of the subject household may not exceed one-half of the median household income, as determined by the Division of Economic Analysis, for the county in which the property is located. The asset requirements are complex and are explained in detail in the application form and instructions.

How much of a property tax bill can be refunded?

The amount of property tax that may be refunded is the lesser of either one-half of the tax due on the

residence or one-half of the median county residential tax bill (as determined by DOR). The amount of the refund is also to be reduced by the amount of any other State tax relief that the taxpayer receives on property tax (i.e., Veteran's Exemption, Homeowner's Tax Credit, or Property Tax Deferral).

What documentation does the taxpayer have to provide?

At minimum, the taxpayer must provide:

- A completed application
- A copy of the previous year's Federal Income Tax Return(s) (or a written explanation of why the Taxpayer was not required to file with the IRS) for all individuals occupying the household who earned income.
- A copy of the property tax bill and tax receipt(s) for the taxpayer's principal residence from the County Treasurer showing taxes timely paid.

What are the application deadlines?

For 2004 applications (for 2003 taxes billed), the application deadline is June 7th. Applications must be either postmarked on or before that day or the application hand-delivered to the County Treasurer or to the DOR on or before that day. No extensions are allowed.

Who makes refunds and when are they made?

The refunds are made by the State of Wyoming. The deadline for the State to issue refunds for 2004 applications is September 30, 2004. Taxpayers receiving refunds will also receive a IRS Form 1099 from the State. Because the State must issue a Form 1099 to the taxpayer, the taxpayer MUST supply his or her Social Security Number (SSN) on the application. Applications lacking an SSN will be denied.

Will a taxpayer be notified if he or she is denied a refund and can that decision be appealed?

Taxpayers denied a refund because of ineligibility will be

notified by the DOR. That decision can not be appealed.

Is the taxpayer required to file a new and complete written application each year to receive a refund for that year?

Yes, the taxpayer must file a new application by the deadline each year and must meet the eligibility requirement each year to receive the refund.

Is this a permanent relief program?

Currently, funds have been appropriated for the program for the biennium beginning July 1, 2004. The program itself will "sunset" in 2008 unless extended by legislation.

Finally, we have been frequently asked how many households in Wyoming may qualify for Property Tax Relief. Both DOR and Economic Analysis staff have worked to provide data and analysis to answer that question. In making estimates, numerous assumptions—some admittedly speculative—were made. What resulted was a "best guess." As such, as the saying goes, the "actual result" may vary. At any rate, the 2000 Census counted 193,608 households in Wyoming. According to our estimates—admittedly speculative – approximately 12,000 households (just over 6% of the total households) may potentially qualify. How many taxpayers will actually apply and qualify? Sometime after September we will have the answer to that. We'll see how close to or far from the actual number our estimates were.

Wade W. Hall
Administrator
Ad Valorem Tax Division

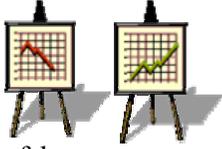
≈

CAMA Maintenance Fees

As we approach a new biennium, the Division is putting together a preliminary forecast of the

CAMA support charges we can expect to see over the next two years.

The estimated monthly costs will reflect the gradual decrease of the current systems support/maintenance fees, and the phasing in of the new CAMA charges. The forecast will give us a good indication of how and when funds from the CAMA Project budget, and the regular CAMA support budget, will be spent.



In forecasting the legacy programs' portion of the costs, the Division is looking at historical CAMA charges and what part of these fees were incurred by each county. Most of the current CAMA fees are variable, meaning that the costs fluctuate with usage (running reports, queries, on-line time, etc.). The larger counties will naturally incur more CAMA operating costs than smaller counties, but there is some inconsistency in the relationship between the counties' parcel counts and their CAMA expenses. County size and its CAMA usage may dictate the implementation sequence to some degree to save on some of these costs.

With the new system, the annual CAMA maintenance fees will be fixed. These charges will mainly be for on-line support and system enhancements, rather than for running reports and queries. Unlimited use for the same price will certainly be a lot more convenient for all users of the new program.

In light of this, the Division will be sending out monthly reports to all Assessors showing the breakdown of the monthly CAMA charges we receive from the A&I Computer Technology Division. We hope this will give you a good picture of what the Division's monthly maintenance costs currently are, and how they will change as we work our way through implementation.

Geir Solvang
Principal Appraiser
Ad Valorem Tax Division

Upcoming Ad Valorem Sponsored Education

7/19/04 – 7/23/04

IAAO Course 300
Fundamentals of Mass Appraisal,
Lander, WY

8/16/04 – 8/20/04

IAAO Course 500
Assessment of Personal Property,
Casper, WY

9/21/04 – 9/22/04

IAAO Course 354
Multiple Regression Analysis for
Real Property Valuation,
Casper, WY

To register for classes, please
contact
Jack Rehm at (307) 777-5313, or
email: jrehm@state.wy.us

Wyoming Department of Revenue
Ad Valorem Tax Division
As of 02/01/04

