



Proposed Constitutional Amendment A

Ballot Language:

The adoption of this amendment would separate residential real property into its own class of property for purposes of property tax assessments. The amendment would authorize the legislature to create a subclass of owner occupied primary residences.

Pro

Passage of this amendment to the Wyoming Constitution would increase the possible classes of property to be taxed at different rates in Wyoming. Currently, the constitution requires that all property within a class be taxed at an equal rate and prohibits the legislature from creating new classes or subclasses. There are three main classes: 1) Gross production of mineral property, 2) industrial property, and 3) all others including real and personal. Included in the latter are subclasses for agricultural property and residential property. The legislature has proposed legislation to cut property taxes on residential homes. These failed and were probably unconstitutional since they didn't apply to all homes. With this amendment, owner occupied primary residences could become a separate subclass and taxed at a different rate than rental or second homes.

Con

The impact on tax revenue is difficult to determine because it is not possible to predict what the legislature will adopt; the amendment gives the legislature free rein to tax owner occupied primary residential property higher or lower than other residential property. Property taxes are what fund Wyoming schools and local governments, including all towns, counties and special districts. For instance, one recent proposed bill included an exemption for long-term homeowners that might have resulted in \$7M to \$9M less per year to schools and \$4M to \$5M less for local governments. The Legislature would need to replace these funds from other sources, or all school districts, towns, and counties would need to adjust to a considerable downturn in funding from the state and local property taxes. This amendment does not have a requirement that the owner live in the same primary residence for any minimum amount of time before being taxed differently, greatly increasing the number of properties subject to the new tax rate.

Please vote yes to adopt or no to reject on the Constitutional Amendment. Ballot issues must receive a majority "yes" of ALL who vote in the election in order to be successful.

