

HOUSE BILL NO. HB0113

Insurance payments-not taxable.

Sponsored by: Representative(s) Smith, S and Hoeft and
Senator(s) Pearson

A BILL

for

1 AN ACT relating to taxation and revenue; exempting
2 insurance damage settlement payments from sales and use
3 taxation; and providing for an effective date.

4

5 *Be It Enacted by the Legislature of the State of Wyoming:*

6

7 **Section 1.** W.S. 39-15-105(a)(ix)(A), (B) and by
8 creating a new subparagraph (C) and 39-16-105(a)(x)(A), (B)
9 and by creating a new subparagraph (C) are amended to read:

10

11 **39-15-105. Exemptions.**

12

13 (a) The following sales or leases are exempt from the
14 excise tax imposed by this article:

15

1 (ix) For the purpose of avoiding application of
2 the sales tax more than once on the same article of
3 tangible property for the same taxpayer:

4

5 (A) The trade-in value of tangible personal
6 property shall be excluded from the sales price of new
7 tangible personal property when trade-in and purchase occur
8 in one (1) transaction;~~and~~

9

10 (B) The sales price paid for a motor
11 vehicle, house trailer, trailer coach, trailer or
12 semitrailer as defined in W.S. 31-1-101 if the vehicle is
13 purchased by a nonresident of Wyoming and the vehicle is to
14 be removed from the state of Wyoming within thirty (30)
15 days of purchase. The purchaser shall declare under
16 penalty of perjury on a form prescribed by the department
17 that he is not a resident of Wyoming;~~and~~ and

18

19 (C) The amount of any insurance payment
20 used to purchase motor vehicles, house trailers, trailer
21 coaches, trailers or semitrailers shall be excluded from
22 the sale price of those items to the extent the owner's
23 previous motor vehicle, house trailer, trailer coach,

1 trailer or semitrailer was acquired by an insurance company
2 pursuant to a damage settlement and the insurance payment
3 is used not more than ninety (90) days after receiving the
4 insurance payment to purchase another motor vehicle, house
5 trailer, trailer coach, trailer or semitrailer for which
6 sales tax is due.

7

8 **39-16-105. Exemptions.**

9

10 (a) The following purchases or leases are exempt from
11 the excise tax imposed by this article:

12

13 (x) For the purpose of avoiding application of
14 the use tax more than once on the same article of tangible
15 property for the same taxpayer:

16

17 (A) The trade-in value of tangible personal
18 property shall be excluded from the sales price of new
19 tangible personal property when trade-in and purchase occur
20 in one (1) transaction; ~~and~~

21

22 (B) The purchase price paid for a motor
23 vehicle, house trailer, trailer coach, trailer or

1 semitrailer as defined in W.S. 31-1-101 if the vehicle is
2 purchased by a nonresident of Wyoming and the vehicle is to
3 be removed from the state of Wyoming within thirty (30)
4 days of purchase. The purchaser shall declare under
5 penalty of perjury on a form prescribed by the department
6 that he is not a resident of Wyoming;~~;~~ and

7
8 (C) The amount of any insurance payment
9 used to purchase motor vehicles, house trailers, trailer
10 coaches, trailers or semitrailers shall be excluded from
11 the sale price of those items to the extent the owner's
12 previous motor vehicle, house trailer, trailer coach,
13 trailer or semitrailer was acquired by an insurance company
14 pursuant to a damage settlement and the insurance payment
15 is used not more than ninety (90) days after receiving the
16 insurance payment to purchase another motor vehicle, house
17 trailer, trailer coach, trailer or semitrailer for which
18 use tax is due.

19

20 **Section 2.** This act is effective July 1, 2025.

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22

(END)