

Cornerstones of taxation

By Kerin Clark

“Promoting effective and efficient government is the goal of the Wyoming Taxpayer’s Association,” said Erin Taylor, Wyoming Taxpayers Association Executive Director Erin Taylor spoke to members at the WyFB Legislative Meeting Feb. 22 in Cheyenne.

Taylor explained that the Wyoming Taxpayers Association utilizes five cornerstones of taxation when assessing taxation issues. Those cornerstones are: 1) Justification—is there a justified need for the tax? Are current funds being used prudently?; 2) Equity; 3) Balance; 4) Stability; and 5) Transparency. According to Taylor, the cornerstones have helped the association in their work for effective and efficient government. “When we look at any taxation issue we ask “Does it meet the test of our cornerstones?,” Taylor said. “I’m hearing legislators talking about these cornerstones so if we have people thinking about these issues that is good.”

Wyoming taxes

Taylor said the taxation picture in Wyoming looks pretty good. “We have low sales tax, some of the lowest property taxes, no income taxes, fuel taxes are some of the lowest in the nation so it is a pretty good situation,” She said.

Assessed valuations

Taylor explained that six of Wyoming’s counties make up 50% of the assessed valuations. “Counties are diverse in Wyoming,” She continued. “For example, one mil in Sweetwater County makes a big difference compared to Niobrara County.”

The total assessed valuation in 2009 was \$29,214,897,936. Compare that to the 2008 assessed valuation of \$21,898,331,198.

Budget

Taylor explained this year’s proposed budget and where the largest funds are targeted. “The biggest slice of the pie is the Dept. of Health,” She stated. “The second biggest slice is going to the University of Wyoming and junior colleges and the third biggest slice is justice and corrections.

Sustainability

“Back to the sustainability question, how do we keep up with the spending and are those dollars being spent wisely?” Taylor asked. “Zero dollars are going into savings which is the first in the last 8-10 years where we wouldn’t have saved extra money. The state is still saving what is statutorily required.”

“Looking at the latest report from the Consensus Revenue Estimating Group the biggest message I got is the funding for our K-12 schools could be as much as \$37.3 million in the red at the end of the 2011-2012, then in another 4 years we could be as much as 63 million in the red,” Taylor stated. “We need to be prudent about the choices we are making in this biennium.”

“The good news is that we do have money to fund the budget, but we are looking at tough decisions that may need to be made,” Taylor continued.

WTA has been Wyoming's leading tax policy and research organization since 1937. On the web at www.wyotax.org.

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