



FOR IMMEDIATE RELEASE

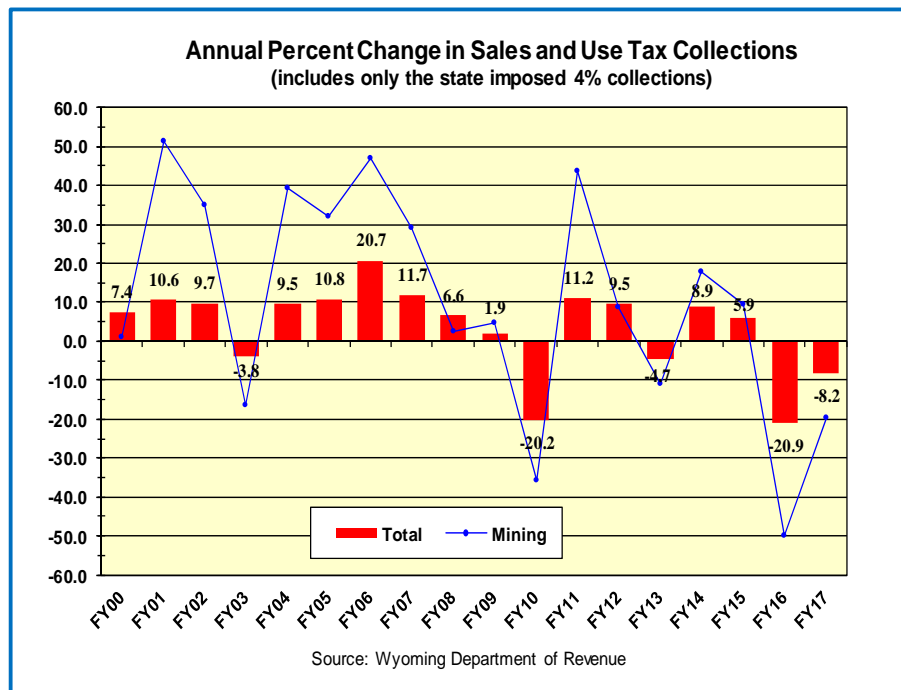
Friday, October 20, 2017

Contact: Dr. Wenlin Liu, Chief Economist

SALES AND USE TAX COLLECTIONS DECLINED 8.2 PERCENT IN FY 2017

CHEYENNE -- Total sales and use tax collections in fiscal year (FY) 2017 experienced another contraction, according to an annual report released by the Economic Analysis Division. The report, entitled “Wyoming Sales, Use, and Lodging Tax Revenue Report,” is produced annually and contains sales and use tax collection information categorized by the North American Industry Classification System (NAICS) super sector. In addition, sales tax collections for the retail trade sub-sector components, and for the accommodation and food services sector are provided in the report. Also included in this publication are yearly lodging tax collections by local entity.

Total sales and use tax collections for FY 2017, reached \$789.9 million, a decrease of 8.6 percent from the previous year level. The year over year decline rate for the state-imposed 4% tax collections was 8.2 percent, following a decline of 20.9 percent in the previous year. Because locally imposed optional taxes often change during a fiscal year, an accurate comparison should only include the state-imposed 4% taxes to reflect changes in taxable sales over time.



Both oil and natural gas prices, though still depressed, have rebounded considerably since early 2016 as supply and demand rebalances. Consequently, activities in mineral exploration gradually picked up, as evidenced by the increase of active drilling rigs in the state from just seven in June 2016 to twenty-five in June 2017. However, collections in sales taxes continued to experience year-over-year declines in the first nine months of fiscal year 2017, creating a deficit that was not offset by the double-digit growth during the remaining three months. For fiscal year 2017 as a whole, nearly all industrial super sectors experienced decreases. Only the utilities and health & educational services sectors showed increases. The state’s pivotal industry - mining (including oil & gas extraction) experienced the worst decline in dollar amount, at 19.6

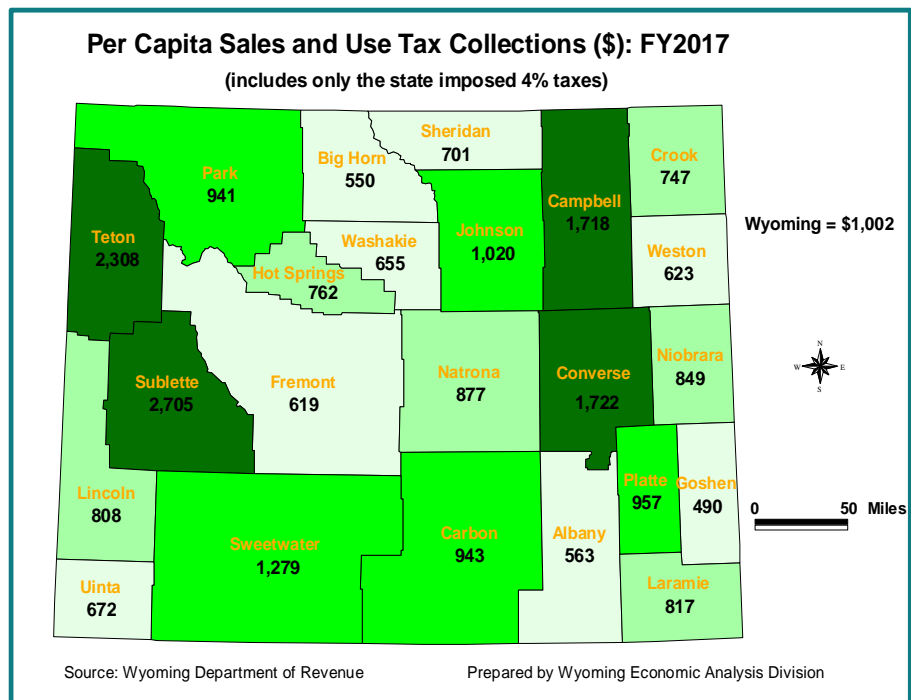
percent, during the year. Other industries that are closely associated with the mineral extraction activities, such as construction, transportation & warehousing, and machinery & equipment rental and leasing also experienced sizable declines of between 21.3 and 31.3 percent. The State does not impose a sales tax on the production of minerals, but on supplies and equipment used in mineral extraction. Additionally, certain services rendered within an oil or gas well site are subject to sales and use taxation, as are services rendered under contract for mining and crushing minerals. Collections from the retail trade industry, the largest in terms of sales tax contribution, also suffered a significant decrease of 3.1 percent from a year earlier. The public administration sector, where sales tax collections primarily reflect automobile purchases, shrunk 1.5 percent.

Annual sales tax collections in four of Wyoming’s twenty-three counties expanded from previous year levels. Teton County recorded the largest increase of 5.6 percent, followed by Crook County’s 4.1 percent. Washakie and Albany counties also showed slight growths from fiscal year 2016. These counties with sales tax expansions were mostly insulated from the fluctuation in mineral activities, but instead benefited from robust tourism.

Sales tax collections declined in most counties during fiscal year 2017. Weston County showed the steepest decrease, at 33.9 percent, after increasing 18.7 percent in fiscal year 2016. Campbell, Converse, Sublette, and Hot Springs counties experienced double-digit declines, respectively, due to reductions in mineral extraction activities.

Total lodging tax collections, at \$17.8 million for fiscal year 2017, were up slightly from the \$17.7 million collected in the previous year, or 0.6 percent. However, part of the increase was attributed to changes in lodging tax rate. Due to lodging tax rate change from 2 percent to 3 percent in Lusk Town on October 1, 2016, the collections in Niobrara County for fiscal year 2017 was 7.8 percent higher than the prior year. Pinedale in Sublette County increased their tax rates by 1 percentage point on April 1, 2017. As a result, the lodging tax collections increased 10.9 percent in Sublette County from fiscal year 2016 to 2017. For all other counties, Park was the only one that demonstrated double-digit growth rate (10.4%), and Teton and Lincoln counties also showed robust growths of 7.8 percent and 6.1 percent, respectively.

Fifteen counties experienced declines, with Campbell, Converse, and Weston recording the largest drops at more than 20.0 percent, each, in lodging tax collections during the period. The primary drivers for the fluctuation in lodging sales are visitation to the national parks and mineral activities in the state.



The complete report is available online: http://eadiv.state.wy.us/s&utax/Report_FY17.pdf

TOTAL SALES AND USE TAX COLLECTIONS (\$)	FY 2015		FY 2016		FY 2017		% Ch FY16-17
	Total Taxes	4% Taxes	Total Taxes	4% Taxes	Total Taxes	4% Taxes	4% Taxes
ALBANY	32,627,097	21,694,678	32,232,345	21,427,574	32,407,383	21,542,255	0.5%
BIG HORN	10,368,265	8,283,237	8,896,201	7,105,730	8,266,198	6,601,749	-7.1%
CAMPBELL	222,472,510	151,349,544	129,833,714	103,642,850	105,008,401	83,829,047	-19.1%
CARBON	28,260,540	18,816,033	24,221,225	16,108,028	22,158,903	14,734,797	-8.5%
CONVERSE	96,672,815	64,372,141	40,484,639	29,466,083	30,657,471	24,438,162	-17.1%
CROOK	8,680,492	6,769,975	8,082,135	5,355,484	8,381,740	5,575,663	4.1%
FREMONT	41,541,814	33,355,317	33,584,870	26,836,925	31,257,908	24,923,956	-7.1%
GOSHEN	9,575,330	7,279,580	8,867,102	6,740,937	8,625,990	6,556,915	-2.7%
HOT SPRINGS	5,896,989	4,711,682	5,020,597	4,010,670	4,608,121	3,566,642	-11.1%
JOHNSON	15,186,666	11,856,599	14,090,776	9,410,707	12,214,032	8,659,699	-8.0%
LARAMIE	141,345,447	94,007,522	123,923,394	82,395,751	117,424,493	80,214,213	-2.6%
LINCOLN	18,961,602	15,149,451	19,918,709	15,913,328	19,335,586	15,445,341	-2.9%
NATRONA	136,253,432	108,869,123	97,859,504	78,176,752	88,943,680	71,047,982	-9.1%
NIOBRARA	4,665,788	3,102,001	3,279,663	2,179,508	3,171,709	2,106,687	-3.3%
PARK	31,086,783	31,036,229	28,680,325	28,680,304	28,564,460	27,635,794	-3.6%
PLATTE	16,092,837	10,703,103	13,013,766	8,653,173	12,497,091	8,308,818	-4.0%
SHERIDAN	34,602,947	23,009,078	33,896,057	22,534,999	31,869,781	21,182,033	-6.0%
SUBLETTE	45,322,913	45,322,913	30,723,113	30,723,113	26,426,778	26,426,778	-14.0%
SWEETWATER	107,293,106	71,475,286	93,523,282	62,118,735	84,879,974	56,481,598	-9.1%
TETON	75,248,962	48,380,230	79,059,976	50,699,813	82,240,913	53,515,918	5.6%
UINTA	19,648,043	15,697,790	18,458,983	14,746,424	17,474,317	13,960,551	-5.3%
WASHAKIE	7,982,698	6,669,364	6,657,268	5,318,170	6,747,783	5,391,947	1.4%
WESTON	7,196,648	5,749,113	9,578,369	6,823,549	6,777,841	4,508,503	-33.9%
WYOMING	\$1,116,983,723	\$807,659,988	\$863,886,012	\$639,068,607	\$789,940,552	\$586,655,046	-8.2%

SALES AND USE TAX COLLECTIONS (\$) BY INDUSTRY	FY 2015		FY 2016		FY 2017		% Ch FY16-17
	Total Taxes	4% Taxes	Total Taxes	4% Taxes	Total Taxes	4% Taxes	4% Taxes
Agr, Fores., Fish., & Hunting	329,593	242,716	347,289	258,016	306,645	228,018	-11.6%
Mining	248,776,092	181,723,308	115,472,295	90,668,105	92,959,355	72,939,467	-19.6%
Utilities	47,709,348	34,478,648	48,240,758	35,002,853	49,114,719	36,249,565	3.6%
Construction	33,090,741	23,649,072	26,788,490	19,363,002	18,242,846	13,297,019	-31.3%
Manufacturing	36,216,339	26,201,919	26,517,289	19,600,014	23,100,959	17,365,880	-11.4%
Wholesale Trade	97,388,601	69,403,470	67,348,212	50,961,084	57,097,507	43,504,314	-14.6%
Retail Trade	310,594,421	224,800,036	279,144,792	204,923,822	269,229,999	198,663,500	-3.1%
Transp. & Warehousing	5,387,162	3,759,602	4,591,493	3,262,111	3,574,750	2,566,233	-21.3%
Information	20,483,855	14,873,759	19,592,945	14,351,361	17,759,700	13,141,899	-8.4%
Financial Activities*	50,900,004	36,981,146	39,497,841	29,065,546	28,848,548	21,300,723	-26.7%
Professional & Busi. Services	7,582,047	5,518,478	6,223,355	4,546,714	6,239,560	4,541,620	-0.1%
Edu. & Health Services	758,241	523,291	689,054	477,254	694,323	481,210	0.8%
Leisure & Hospitality	106,504,065	74,543,186	103,927,617	73,108,429	102,851,206	72,604,837	-0.7%
Other Services	47,890,808	34,660,212	36,465,014	27,254,114	32,583,850	24,569,373	-9.9%
Public Administration**	103,372,405	76,301,145	89,039,570	66,226,183	87,336,585	65,201,387	-1.5%
TOTAL	\$1,116,983,723	\$807,659,988	\$863,886,012	\$639,068,607	\$789,940,552	\$586,655,046	-8.2%

Note: **Total Taxes** include 4% state imposed sales taxes and all local optional (up to 2%) taxes, while **4% Taxes** include only the 4% state imposed sales taxes.

* taxes are mostly from automotive, machinery and equipment leasing and rental;

** reflects taxes from automobiles sales.

Source: Wyoming Department of Revenue

LODGING TAX COLLECTIONS	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	% Ch FY16-17
ALBANY	704,281	717,006	744,284	876,409	\$862,053	\$865,009	0.3%
BIG HORN	31,512	26,543	25,198	32,833	\$41,492	\$39,257	-5.4%
CAMPBELL	464,142	431,762	505,759	735,708	\$533,130	\$384,580	-27.9%
CARBON	426,017	471,047	519,755	517,003	\$611,546	\$579,091	-5.3%
CONVERSE	273,349	293,143	328,774	371,647	\$234,819	\$176,759	-24.7%
CROOK	57,217	57,633	63,491	75,492	\$88,848	\$81,115	-8.7%
FREMONT	670,993	624,311	640,400	771,447	\$707,691	\$699,363	-1.2%
GOSHEN	110,805	114,908	125,171	120,004	\$113,293	\$94,223	-16.8%
HOT SPRINGS	174,151	164,931	159,008	174,827	\$178,576	\$182,218	2.0%
JOHNSON	176,363	162,599	174,398	228,446	\$205,694	\$194,192	-5.6%
LARAMIE	1,379,734	1,425,438	1,669,352	1,966,864	\$1,718,011	\$1,774,587	3.3%
LINCOLN	124,208	80,582	109,786	98,989	\$109,123	\$115,757	6.1%
NATRONA	1,204,887	1,288,626	1,349,272	1,693,494	\$1,650,893	\$1,492,867	-9.6%
NIORARA	40,393	39,585	45,606	47,060	\$40,895	\$44,081	7.8%
PARK	1,724,017	1,794,207	1,925,815	2,052,294	\$2,275,144	\$2,511,746	10.4%
PLATTE	9,756	9,075	10,556	64,188	\$146,283	\$133,217	-8.9%
SHERIDAN	502,316	540,502	577,191	676,771	\$635,747	\$576,592	-9.3%
SUBLETTE	199,267	143,377	169,394	168,867	\$153,793	\$170,609	10.9%
SWEETWATER	650,065	626,502	626,472	701,393	\$961,007	\$851,169	-11.4%
TETON	3,972,252	4,227,899	4,612,088	5,377,737	\$5,935,040	\$6,395,594	7.8%
UINTA	283,877	248,731	254,171	280,010	\$287,462	\$255,529	-11.1%
WASHAKIE	113,685	92,809	106,928	118,937	\$103,787	\$102,218	-1.5%
WESTON	65,273	68,368	67,700	75,419	\$78,503	\$62,594	-20.3%
WYOMING	\$13,358,561	\$13,649,585	\$14,810,570	\$17,225,839	\$17,672,829	\$17,782,368	0.6%

Town of Lusk in Niobrara County changed lodging tax rate from 2% to 3% on October 1, 2016.

Town of Pinedale in Sublette County changed lodging tax rate from 3% to 4% on April 1, 2017.

For the following counties, lodging tax is imposed only in certain cities or towns, i.e. not on a county-wide basis:

Big Horn County: Lovell and Greybull only.

Lincoln County: Afton, Cokeville, Diamondville, and Kemmerer only.

Niobrara County: Lusk only.

Sheridan County: Sheridan only.

Sublette County: Pinedale only.

Uinta County: Evanston only.

Source: Wyoming Department of Revenue