

STATE BOARD OF EQUALIZATION
2005 ANNUAL REPORT
June 30, 2006

QUALITY OF LIFE RESULT

Wyoming state government is a responsible steward of State assets and effectively responds to the needs of residents and guests.

AGENCY

Wyoming State Board of Equalization

CONTRIBUTION TO WYOMING QUALITY OF LIFE

The Board contributes to Wyoming quality of life by providing a fair, unbiased, and efficient forum for disputes with the Department of Revenue, and appeals from county boards of equalization. The Board also assures all property in Wyoming's counties is valued uniformly and equally by county assessors, consistent with established standards.

BASIC FACTS

The Board has seven employees, including its three Board members. Its budget was \$697,674 for the 2005 fiscal year.

As a quasi-judicial body, the Board's principal functions are: (1) to act as trier of fact for taxpayer disputes with the Department of Revenue, and (2) to act as a first level of appellate review for decisions by county boards of equalization.

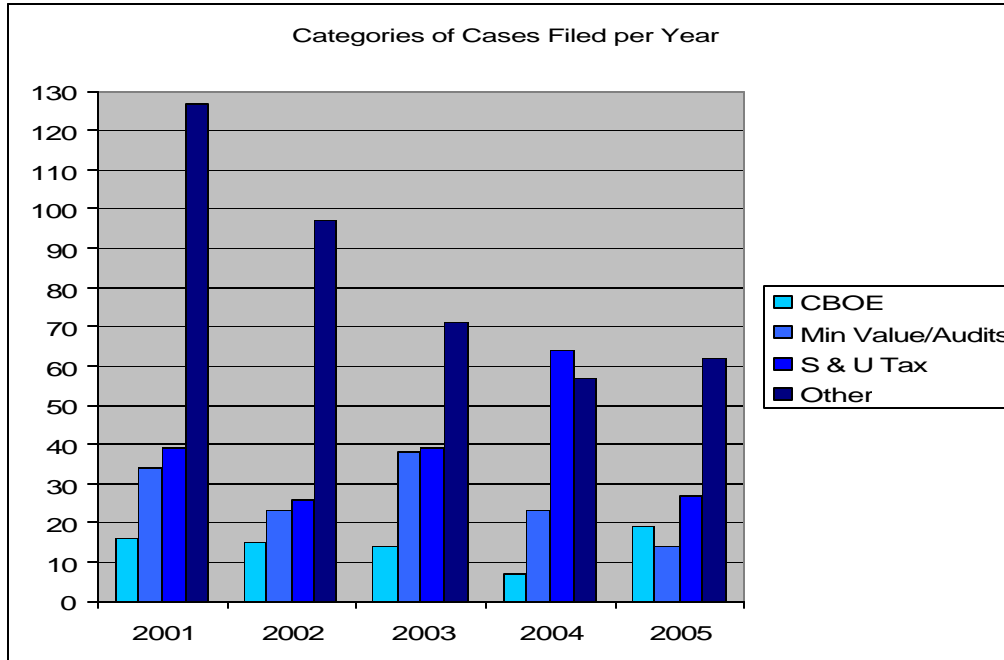
The Board is also responsible for equalizing valuation of property in Wyoming. Each year, on a schedule established by statute, the Board reviews abstracts of county property valuations and prepares sales ratio studies to evaluate the practices of county assessors. If errors are found, the Board may counsel an assessor regarding improved work practices, or direct county assessors to modify valuations.

PERFORMANCE

The Board generally measures its performance by numbers of cases filed, and by outstanding dockets at year-end. The Board categorizes the disputes it hears into four types, by source: county boards of equalization; minerals valuation and

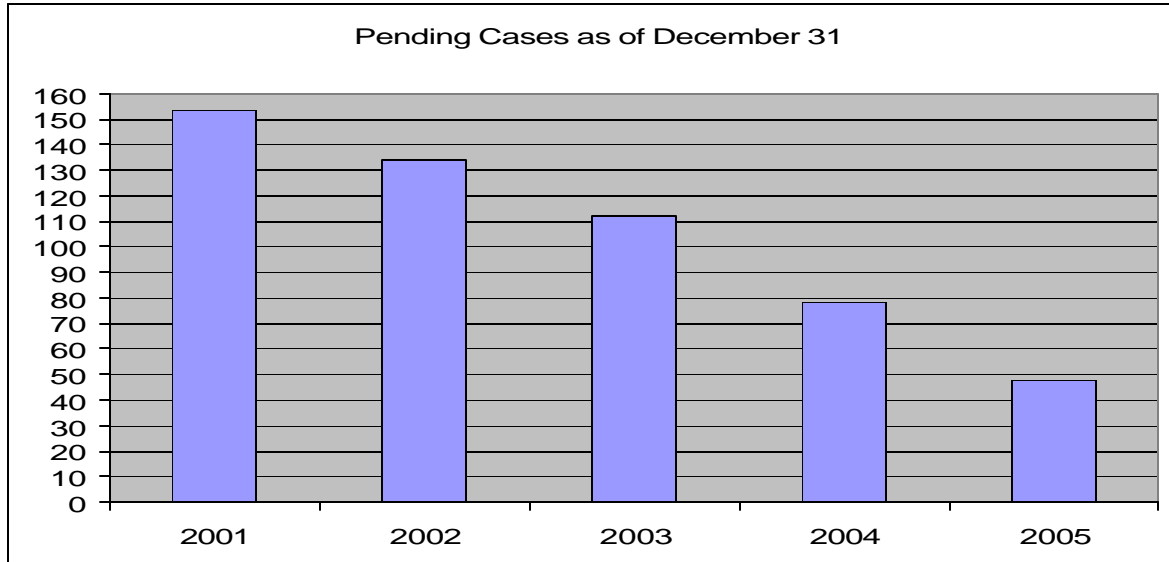
Board of Equalization

audits; sales and use taxes and audits; and a miscellany of all other sources. Fewer filings indicate fewer disputes. The Board believes it has reduced the number of filings by improved articulation of the reasons for its decisions. Improved decisions facilitate judicial review and advise potential litigants of the likely outcome of other disputes.



Fewer outstanding dockets indicate the Board's success in adjudicating pending disputes efficiently. By the close of 2005, the Board had eliminated a long-standing backlog of cases. As of December 31, 2005, the Board had no cases on its docket filed prior to calendar year 2005. As recently as December 31, 2002, the Board's docket included cases filed as far back as 1997.

Board of Equalization



The Board’s equalization function can be measured in part by its annual issuance of work practices directives. Few work practices directives were necessary in 2005 and 2006. However, there has been an increase in assessment problems in 2006, principally because the Department of Revenue has introduced a new computer assisted mass appraisal (CAMA) system for use by all county assessors. The Board views most of these problems as transitional. The Board also initiated an equalization proceeding for Natrona County residential property on June 30, 2006, notifying the county board of equalization of the Board’s intention to equalize property values by raising the value of unsold residential improved and unsold residential vacant property.

Fiscal Year	County Abstracts Reviewed	No. of Work Practices Issued
2001-2002	23	4
2002-2003	23	11
2003-2004	23	7
2004-2005	23	2
2005-2006	23	1

STORY BEHIND THE PERFORMANCE

In 2005, the Board issued a volume of opinions doubling that of preceding years, clearing all complex cases filed before 2005 from its docket. The Wyoming

Board of Equalization

Supreme Court made this progress possible in two ways: first, by affirming a seminal Board ruling regarding processed natural gas; second, by affirming the Board's right to hear docketed cases even when a taxpayer attempts to circumvent the Board by filing a declaratory judgment action.

More recently, the Wyoming Supreme Court issued an opinion affirming the Board's authority to provide complex technical review and comment when it decides appeals from county boards of equalization. This enables the Board to apply its technical expertise to complex disputes initially presented to county boards of equalization. One practical result is to conserve executive and judicial resources by strengthening the Board's power to remand cases to county boards for further proceedings before the courts must become engaged in the appeal process.

In 2005, the Board completed a rulemaking that revised its procedures for reviewing abstracts. The revised procedures discourage county assessors from filing incomplete abstracts, and directly involve the Department of Revenue in the annual review process to facilitate technical assistance from the Department to assessors.

The use of work practices as a measurement of performance has temporarily ceased to be meaningful, due to disruptions as most county assessors adapt to the new computer system.

WHAT HAS BEEN ACCOMPLISHED?

The Board is establishing a consistent body of administrative case law.

The Board has gained control of its docket.

The Board has improved its control of the abstract review process, and made the process more transparent to assessors and the Department of Revenue.

SUPPLEMENTAL BUDGET IMPLICATIONS

None.