

THE GENERAL FUND

Fiscal year 1984 ended with a General Fund cash balance of \$186,801,492. This figure is up by 4.1 percent over the ending cash balance for fiscal year 1983, which stood at \$179,368,482, at the close of business on June 30, 1983. This increase in the cash balance is attributable to the fact that Wyoming Government took in somewhat more revenue last year than it experienced in expenditures. Revenue during the period was down at \$363,114,605, while expenditures were \$354,999,947. In other words, the State of Wyoming took in \$8,114,658, more last year than was expended for the support of state government.

GENERAL FUND REVENUE

In order to assure consistent categorization of the several revenue sources, the state classifies all revenue into eight general groupings. Each of these general categories are made up of several specific revenue sources, as described in the material that follows.

10000 TAXES

The major source of revenue to state government is taxes. The following taxes are collected, and, at least a portion of them are deposited to the General Fund: Sales, Use and Excise Tax; Severance Tax; Inheritance Tax; Franchise Tax; Motor Carrier Tax; and, Other Taxes.

Sales and Use Tax

Fiscal year 1984 marked the second consecutive year that revenue from this source declined when compared to the previous year's income. The drop of \$8.9 million represented a decline of 7 percent from fiscal year 1983, a cause for continued concern if the trend is not reversed.

<u>Fiscal Year</u>	<u>General Fund Revenue</u>	<u>% Change</u>
1978	\$ 88,118,605	+27%
1979	105,285,938	+19
1980	113,597,213	+ 8
1981	141,151,670	+24
1982	164,736,401	+17
1983	135,300,557	-18
1984	126,413,808	- 7

Mineral Severance Tax

This tax is levied upon the privilege of extracting any gold, silver, or other precious metals, soda saline, coal, trona, uranium, bentonite, petroleum, or other crude material, oil and gas, or other valuable deposits.

Until fiscal year 1975, revenue from this source had amounted to between four and five million dollars per year. It jumped to slightly over nine

million dollars in fiscal year 1975, and then more than doubled in fiscal year 1976, approximating twenty million dollars. Fiscal years 1977 and 1978 experienced fair growth, with rates of increase of 15 percent and 16 percent respectively. This growth rate increased sharply in fiscal year 1979, slowed in fiscal year 1980, increased sharply again in fiscal year 1981, then shot up markedly in fiscal year 1982 to a 135 percent increase. The decline of 1 percent last year was the second such decline in modern history.

<u>Fiscal Year</u>	<u>General Fund Revenue</u>	<u>% Change</u>
1978	\$ 26,636,621	+ 16%
1979	33,293,903	+ 25
1980	37,937,588	+ 14
1981	48,011,374	+ 27
1982	112,751,959	+135
1983	110,356,100	- 2
1984	109,790,499	- 1

Inheritance Tax

Inheritance tax is one of Wyoming's oldest taxes, having been in effect since 1903. It is an excise tax imposed by the state upon the right to transfer property within its jurisdiction from the dead to the living. The amount of tax is based on the relationship of each legatee to the decedent, and the value of the property he receives.

Revenue to the General Fund from inheritance taxes has generally averaged between \$1 and \$3 million per year. Fiscal year 1983 revenue from this source was somewhat higher than the average, at \$3.2 million. The only other time that revenue has exceeded \$3 million was in fiscal year 1977, when a total of \$3.6 million was collected. This was due to the largest estate settlement ever encountered in Wyoming, which alone generated approximately \$2 million in revenue to the General Fund.

<u>Fiscal Year</u>	<u>General Fund Revenue</u>	<u>% Change</u>
1978	\$ 2,056,068	-43%
1979	2,004,906	- 2
1980	2,858,108	+43
1981	2,851,582	- 0
1982	2,272,084	+20
1983	3,157,812	+39
1984	2,676,537	-15

Franchise Tax

This is a tax or levy imposed upon corporations and insurance companies for the right, or privilege, of doing business in the State of Wyoming. The revenue is collected by two agencies of government. The largest portion of the collections is accomplished by the Wyoming Insurance Department, representing in excess of 90 percent of all franchise taxes collected. In addition to insurance fees, this tax category also includes taxes on both domestic and foreign corporations registering with the Secretary of State's Office.

<u>Fiscal Year</u>	<u>General Fund Revenue</u>	<u>% Change</u>
1978	\$ 5,511,878	+23%
1979	6,520,733	+18
1980	7,534,778	+16
1981	8,481,468	+13
1982	5,769,551	-32
1983	8,689,896	+51
1984	8,549,056	- 2

Motor Carrier Tax

This tax is a levy, or assessment, against common, contract, or private motor carriers for the use of highways, and to defray the expenses for enforcement of acts regulating such use.

Prior to fiscal year 1980, revenue from this tax source generally totaled less than \$2 million annually; however, in fiscal year 1980, revenue topped the \$2 million mark at \$2,442,706. It has increased steadily over the years until last year when revenue declined by nearly \$200,000, or 5 percent.

<u>Fiscal Year</u>	<u>General Fund Revenue</u>	<u>% Change</u>
1978	\$ 1,854,481	+34%
1979	1,894,142	+ 2
1980	2,442,706	+29
1981	2,758,139	+13
1982	3,345,790	+21
1983	3,969,225	+19
1984	3,775,927	- 5

20000 LICENSES, PERMITS AND REGULATORY FEES

The second revenue classification is licenses, permits and regulatory fees. This is revenue from businesses and occupations which, by statute, must be licensed or granted operational permits in order to do business in the State of Wyoming. Included in this revenue classification are business licenses, professional and vocational licenses, and motor vehicle licenses or permits. This revenue source is a rather small contributor to the General Fund, totaling only \$3,859,708 in the past year.

30000 FINES, FORFEITURES AND PENALTIES

A third revenue classification is fines, forfeitures and penalties. This revenue is generated as a result of forfeiture of money or property for noncompliance with, or violation of statute or authority delegated by Wyoming Statutes. This revenue is one of the smallest contributors to the General Fund, representing only \$1,171,813 during fiscal year 1984.

40000 USE OF PROPERTY AND MONEY

Another revenue category is use of property and money. This is revenue received by the use of state-owned property, or state-invested funds. Included in this category is income from land, from buildings, from equipment, and from investments. During fiscal year 1984, the General Fund received in excess of \$32.7 million.

50000 CHARGES FOR SALES AND SERVICES

Revenue deposited to the General Fund for charges for sales and service represents income from the sale of merchandise, commodities and salvages, compensation for administrative services and regulatory processing, and revenue rendered by state agencies. Revenue from this source was \$9.1 million last year.

60000 REVENUE FROM OTHERS

Revenue from others, for the most part, is interest earned from the investment of the Permanent Wyoming Mineral Trust Fund. In addition, augmenting revenue from other funds is transferred to the General Fund and included in this category. Other income, such as bequests or donations of cash, or assets converted to cash, are also recorded here. This income source has shown strong growth during the last several years, reaching a high of \$64.6 million in fiscal year 1984.

70000 FEDERAL AIDS AND GRANTS

Federal aids and grants is revenue received from the Federal Government for a specific state program or purpose. During the past year, \$263,918 was deposited in this category.

This revenue category includes only those federal programs that are channeled through the state's General Fund. The greatest majority of all federal revenue is deposited directly to the Federal Fund, and naturally, is not reflected in General Fund revenue accounting.

90000 NON-REVENUE RECEIPTS

The final revenue category is non-revenue receipts. This category includes all other sources of income which do not constitute revenue to the state. Included in this category are refunds, reimbursements, and recoveries, repayment of principal from state-loaned money, and state-owned revenue bonds, receipts from the sale or conversion of land, buildings or equipment, and other receipts classified as non-revenue, but not previously identified. The revenue from this source has typically only amounted to slightly over \$100,000. Fiscal year 1983, however, reflects a total of over \$4 million, which is the result of a \$3.9 million sale of a University of Wyoming experiment farm. During fiscal year 1984, revenue from this source returned to normal levels, totaling \$231,896.