Tax report for Wyoming inspires $3 proposed Gas Tax Amendment

Tax season is getting underway, and a new report lays out the percentages taxes take out of family incomes in Wyoming. The “Who Pays?” study shows that taxes as a percentage of income are lowest for the richest and highest for the poorest.

With that report in hand, the executive director of the Equality State Policy Center, Dan Neal, presented a proposal to a state legislative committee on Wednesday. It supports the planned gas tax hike, while recognizing that lower-income workers need a break. The idea is to provide pro-rated refunds, Neal said.

“Tie it to the federal Earned Income Tax Credit,” he explained. “That would sort of blunt the impact of the gas tax hike on low-income working families.”

According to Neal, Wyoming could use federal EITC data to gauge eligibility. He found interest from legislators, but at the same time, resistance to amending the gas tax bill, he said.

The tax report also noted that in Wyoming, no one actually pays the cost of the tax-funded services they receive. The state receives federal funding that outpaces federal tax dollars paid by residents, Neal explained.

“We get a lot of money from the feds, so that helps our roads and other infrastructure through the state,” he said, “and then we also rely on our mineral resources to provide income to the state.”

The report found that in most states, the poorest pay the highest percentages of their income in taxes. It is available at www.whopays.org.