
5.0 GLOSSARY

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| Ad Valorem Tax | A tax paid as a percentage of the assessed value of property. Often used interchangeably with the term property tax. |
| Assessed Value (assessed valuation) | The value of real property for purposes of levying ad valorem taxes. The value is a function of the market value of property and the assessment rate, which ranges from 9.5 percent for residential property to 100 percent for minerals and mine products. |
| Coal Bed Natural Gas (CBNG) | Natural gas that is generated during the coal-formation process. |
| Coal bonus bids | The amount in excess of the minimum value of coal reserves established by the BLM, bid by coal companies, during competitive coal leasing process, for the right to develop those coal reserves. |
| Compounded Annual Growth Rate (CAGR) | The average annualized growth rate over a defined period, which equates to the total change between the starting and ending values, as if the change had occurred at a constant rate. |
| Consensus Revenue Estimating Group (CREG) | The Consensus Revenue Estimate Group (CREG) is the official estimating body for revenues to be received by the Wyoming State Government. Formed by agreement between the executive and legislative branches, CREG consists of representatives from numerous state agencies, commissions, and the University of Wyoming. |
| Mill Levy | A mill is 1/10 of \$.01 or \$.001 (one thousandth). A mill levy is the number of dollars a tax payer must pay for every \$1,000 of assessed value. The mill levy is determined by the amount of revenue that the taxing entity needs to collect from ad valorem taxes. |
| Mineral Royalty | A share of the value of production that is free of the production expenses. It generally is paid by a lessee. The federal government receives a 12.5 percent royalty on coal produced from federal leases. |
| Payments in Lieu of Taxes | Payments in lieu of taxes (PILT) is a federal program administered by the BLM that makes annual payments to local governments having federal lands within their jurisdictional boundaries. PILT payments are to help offset the diminished property taxes receipts due to nontaxable federal lands within their boundaries and may be used for any governmental purpose. |
| Severance Tax | A tax on the removal of minerals from the ground. The State of Wyoming imposes a severance tax of 7.0 percent on the value of all coal produced. |
| Split Estate | Situations where ether surface ownership and mineral ownership are held by different parties/owners. |