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Attorneys for Defendants

**IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT
LARAMIE COUNTY, WYOMING**

STATE OF WYOMING ex rel	)	
MARK GORDON, Governor of the	)	
State of Wyoming,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Docket No. 2026-CV-0204298
	)	
WYOMING STATE BOARD OF	)	
EQUALIZATION; E. JAYNE MOCKLER,	)	
in her official capacity as Chairman of the	)	
Wyoming State Board of Equalization; and	)	
MARTIN L. HARDSOCG, in his official	)	
capacity as Vice-Chairman of the Wyoming	)	
State Board of Equalization,	)	
	)	
Defendants.	)	
WYOMING STATE BOARD	)	
OF EQUALIZATION;	)	

E. JAYNE MOCKLER, in her official capacity as	)
Chairman of the Wyoming State Board of	)
Equalization;	)
MARTIN L. HARDSOCG, in his official capacity	)
As Vice-Chairman of the Wyoming State Board of	)
Equalization,	)
	)
Plaintiff Counter	)
Claimants,	)
v.	)
	)
	)
STATE OF WYOMING ex rel	)
MARK GORDON, Governor of the	)
State of Wyoming,	)
	)
	)
Counter Defendants	)

ANSWER TO COMPLAINT and COUNTERCLAIMS

Defendant Wyoming State Board of Equalization, E. Jayne Mockler, in her official capacity as Chairman of the Wyoming State Board of Equalization, and Martin L. Hardsocg, in his official capacity as Vice-Chairman of the Wyoming State Board of Equalization (collectively the “Board” or “State Board”), by and through their undersigned counsel, respectfully submit their Answer to Complaint, as well as their Counterclaims against the State of Wyoming ex rel Mark Gordon, Governor of the State of Wyoming (collectively, “State”) as follows:

INTRODUCTION

1. Admit that in 2024, the Wyoming Legislature introduced House Bill 0045, “Property tax exemption residential structures and land.” Admit that this bill was ultimately signed into law and is now codified at Wyo. Stat. Ann. §§ 39-11-105(a)(xliii) and 39-11-105(a)(xliv) and that the statutes speak for themselves. Deny that these statutes are “tax exemptions,” as they are in

fact valuation caps (“Valuation Cap Statutes¹”). To the extent any further answer is required, the Board denies.

2. Admit that this matter arises in part from a dispute about whether the Valuation Cap Statutes are constitutional. To the extent any further answer is required, the Board denies.

3. Admit that the Board issued the referenced Examination, and that said Examination speaks for itself. Deny that the Board stated Wyo. Stat. Ann. §§ 39-11-105(a)(xliii) and 39-11-105(a)(xliv) were unconstitutional. Admit that the Board stated in the Examination it anticipated it would not be able to certify that the assessed value met the uniformity and full value requirements reflected in the Wyoming Constitution. To the extent any further answer is required, the Board denies.

4. Deny that the Board exceeded its legal authority, as it is tasked with certifying property values only if they comply with the requirements of the Wyoming Constitution that the properties be assessed at their full value, and such values be uniform. Admit that the data gathered by the Board indicates that application of the Valuation Cap Statutes has resulted in vast and varying amounts of non-uniformity and shows residential properties are not being consistently assessed on their full fair market value. Admit that, due to the effects of the application of the Valuation Cap Statutes, a vote to certify by the named Board members would result in a violation of their oath to uphold the Wyoming Constitution. To the extent any further answer is required, the Board denies.

¹ The Board identifies Wyo. Stat. Ann. §§ 39-11-105(a)(xliii) and 39-11-105(a) throughout this Answer and Counterclaims, as the “Valuation Cap Statutes.”

5. Deny that the Board declared the statutes unconstitutional in its Examination. Admit the Board acknowledged it “lacks authority to declare a statute unconstitutional,” Examination, ¶ 58. Deny that the Board’s actions were ultra vires, as it is statutorily tasked with examining assessed values, and can only certify the values if they reflect full fair market value and are uniform. To the extent any further answer is required, the Board denies.

6. Admit it appears the State asks this Court to declare the Valuation Cap Statutes constitutional. The Board denies that the Valuation Cap Statutes are constitutional, and instead asks this Court, in its Counterclaim, to declare the Valuation Cap Statutes unconstitutional. To the extent any further answer is required, the Board denies.

7. Admit the State seeks preliminary and permanent injunctive relief. Deny the State is entitled to such relief. To the extent any further answer is required, the Board denies.

PARTIES

Defendants incorporate by reference the foregoing paragraphs as if fully set forth herein.

8. Admit the State has accurately summarized or quoted various portions of the Wyoming Constitution and state statute, but both the Wyoming Constitution and State statutes speak for themselves. To the extent any further answer is required, the Board denies.

9. The Wyoming Constitution and State statutes speak for themselves. Admit the State has accurately summarized or quoted various portions of the Wyoming Constitution and State statute. To the extent any further answer is required, the Board denies.

10. Admit.

11. Admit.

JURISDICTION AND VENUE

Defendants incorporate by reference the foregoing paragraphs as if fully set forth herein.

12. Admit.

13. Admit.

14. Admit the allegations in Paragraph 14, with the addition that the Board's functions occur throughout every County in the State, through the work of its statistician, the County Assessors, and the Assessors' staff.

FACTUAL ALLEGATIONS

Defendants incorporate by reference the foregoing paragraphs as if fully set forth herein.

A. Property Taxation

15. The Wyoming Constitution speaks for itself and to the extent any answer is required, deny that this is a complete and accurate quote of Wyo. Const. Art. 15, § 11.

16. The Wyoming Constitution speaks for itself, but to the extent an answer is required, the Board admits.

17. The Wyoming Constitution speaks for itself, but to the extent an answer is required, the Board admits.

18. Admit.

19. Admit.

20. Admit.

21. Admit.

22. The Wyoming Constitution speaks for itself. Admit that in some instances, the Wyoming Constitution allows the Legislature to create exemptions. To the extent any further answer is required, the Board denies.

23. Wyoming statutes speak for themselves, and to the extent an answer is required the Board admits.

B. 2024 Property Tax Exemptions

24. Deny that these are exemptions in practice, as they function as valuation caps. Otherwise, admit.

25. The enacted language of Wyo. Stat. Ann. §§ 39-11-105(a)(xliii) & (xliv) speaks for itself. Deny the allegations in Paragraph 25 contain a full and complete explanation of the manner in which the Valuation Cap Statutes function. To the extent any further answer is required, the Board denies.

26. The enacted language of Wyo. Stat. Ann. §§ 39-11-105(a)(xliii) & (xliv) speaks for itself. Deny the allegations in Paragraph 26 contain a full and complete explanation of the manner in which the Valuation Cap Statutes function. To the extent any further answer is required, the Board denies.

27. The enacted language of Wyo. Stat. Ann. §§ 39-11-105(a)(xliii) & (xliv) speaks for itself. Deny the allegations in Paragraph 27 contain a full and complete explanation of the manner in which the Valuation Cap Statutes function. To the extent any further answer is required, the Board denies.

28. The enacted language of Wyo. Stat. Ann. §§ 39-11-105(a)(xliii) & (xliv) speaks for itself. To the extent any further answer is required, the Board admits.

29. Admit.

30. The promulgated rules speak for themselves. To the extent any further answer is required, the Board admits.

31. The promulgated rules speak for themselves. To the extent any further answer is required, the Board admits.

C. Board of Equalization and June 2026 Action

32. The Wyoming Constitution speaks for itself. To the extent any further answer is required, the Board admits.

33. The Wyoming Constitution speaks for itself. To the extent any further answer is required, the Board admits.

34. The statute speaks for itself. To the extent any further answer is required, admit.

35. The statute speaks for itself. To the extent any further answer is required, the Board denies.

36. The statute speaks for itself. To the extent any further answer is required, the Board admits that the portion of the statute included in Paragraph 36 is correctly quoted. The Board denies that the quoted portion functions in a vacuum, and that it requires the Board to certify values are full and uniform, when they are in fact, not. To the extent any further answer is required, the Board denies.

37. Admit that after consultation with County Assessors and in some cases, requiring equalization of values, the Board has always ultimately certified values. Deny that the current lack of uniformity or failure to value residential properties at full fair market value created by the Valuation Cap Statutes has ever existed on such a large scale. To the extent any further answer is required, the Board denies.

38. Admit that on June 11, 2026, the Board issued its Examination. Admit the Board's Examination concluded that the assessed values did not comply with the Wyoming Constitution's full value or uniformity requirement. Deny the Board concluded that the Valuation Cap Statutes are unconstitutional. To the extent any further answer is required, the Board denies.

39. Admit.

40. Admit the Examination includes this statement.

41. Deny.

42. Admit.

43. Admit.

44. Deny. Admit the Board deferred its decision on whether to certify residential property values in Campbell, Hot Springs, and Sublette Counties on the basis that the residential assessed values, as a class, were not uniform or at full value as required by Wyo. Const. Art. 15, § 11. Admit that the Board voted unanimously to certify all other property values, other than residential. The Board denies that it determined the Valuation Cap Statutes were unconstitutional. To the extent any further answer is required, the Board denies.

45. Admit that at the abstract hearings in Campbell, Hot Springs and Sublette County, the Board voted to certify all property values other than the residential property values. Admit the Board deferred its decision on whether to certify residential property values in Campbell, Hot Springs, and Sublette Counties on the basis that the residential assessed values, as a class, were not uniform or at full value as required by Wyo. Const. Art. 15, § 11. To the extent any further answer is required, the Board denies.²

CLAIMS FOR RELIEF

First Cause of Action

Declaratory Judgment pursuant to Wyo. Stat. Ann. §§ 1-37-101 through -115 and Rule 57 of the Wyoming Rules of Civil Procedure

Defendants incorporate by reference the foregoing paragraphs as if fully set forth herein.

46. This is a legal conclusion to which no answer is required. The referenced case speaks for itself.

² Admit footnote 1 to paragraph 45.

47. This is a legal conclusion to which no answer is required. The referenced case speaks for itself.

48. This is a legal conclusion to which no answer is required. The referenced case speaks for itself.

49. This is a legal conclusion to which no answer is required. The referenced case speaks for itself.

50. This is a legal conclusion to which no answer is required. The referenced case speaks for itself.

51. The stated legal conclusion does not require an answer. The Board denies it concluded the Valuation Cap Statutes were unconstitutional. To the extent any further answer is required, the Board denies.

52. Deny.

53. Deny that the Board determined the Valuation Cap Statutes were unconstitutional. Deny the State is entitled to the requested relief. To the extent any further answer is required, the Board denies.

54. Deny that the Board has taken any action in excess of its authority. To the extent any further answer is required, the Board denies.

Second Cause of Action

Declaratory Judgment pursuant to Wyo. Stat. Ann. §§ 1-37-101 through -115 and Rule 57 of the Wyoming Rules of Civil Procedure

Defendants incorporate by reference the foregoing paragraphs as if fully set forth herein.

55. The Wyoming Constitutions speaks for itself, and as such, no answer is required.

56. Deny the Wyoming Legislature acted pursuant to its constitutional authority when creating the Valuation Cap Statutes. To the extent any further answer is required, the Board denies.

57. The referenced statutes speak for themselves and as such, no answer is required.

58. The referenced statutes speak for themselves and as such, no answer is required.

59. The referenced statutes speak for themselves and as such, no answer is required.

60. Deny the referenced statutes are exemptions; they are valuation caps that, functionally, impose an artificial ceiling on residential property's full fair market value. Further, to the extent the State claims the current year's assessed values reflect current fair market value, deny. As the caps can apply year after year, capping each year's valuations at only 4% more than the prior year, the assessed value each year moves farther away from fair market value. Otherwise, the referenced statutes speak for themselves and as such, no answer is required. To the extent any further answer is required, the Board denies.

61. Deny.

62. Deny.

63. Deny.

Third Cause of Action

Permanent Injunction pursuant to Wyo. Stat. Ann. §§ 1-28-101 through -111 and Rule 65 of the Wyoming Rules of Civil Procedure

Defendants incorporate by reference the foregoing paragraphs as if fully set forth herein.

64. The stated Rule and statutes speak for themselves, and as such, no answer is required regarding their contents. The Board denies the remainder of the allegation.

65. Deny.

66. Deny the Board will not suffer injury if injunctive relief is ordered. Requiring the Board to certify despite finding that the assessed residential property values are not at full value and are not uniform violates the oath taken by the Board members, and as such, the Board denies.

PRAYER FOR RELIEF

The Board incorporates by reference the foregoing paragraphs as if fully set forth herein.

67. Deny this relief is proper or legally supported.

68. Deny this relief is proper or legally supported.

69. Deny this relief is proper. As discussed below, this Court should find that the Valuation Cap Statutes are unconstitutional.

70. Deny that this requested relief is proper or legally supported.

71. Deny.

72. Deny.

COUNTERCLAIMS

I. Introduction

1. In 2024, Wyoming lawmakers introduced House Bill 0045, entitled “Property tax exemption residential structures and land.”

2. Despite open questions concerning its constitutionality, the Wyoming Legislature ultimately passed the bill, and the Governor signed it into law. The law is now codified at Wyo. Stat. Ann. §§ 39-11-105(a)(xliii) and 39-11-105(a)(xliv).

3. Unfortunately, in its haste, the Legislature ignored the unfair outcomes Wyo. Stat. Ann. §§ 39-11-105(a)(xliii) and 39-11-105(a)(xliv) produce, precisely of the type the Wyoming Constitution’s full valuation and uniformity requirements are designed to prevent.

4. These valuation caps unfairly (and non-uniformly) shift the tax burden from owners of property whose values are rapidly increasing to other taxpayers not experiencing large value increases. Said differently, owners of residential real property who are experiencing slow or no property value growth—or, indeed, even those experiencing valuation *decreases*—are penalized with a disproportionate tax burden, while other owners of rapidly appreciating residential real property pay a lower amount of tax per dollar of actual value.

5. Continued application of these valuation caps to prior years’ assessed values will only compound this defect, progressively distancing some residents’ assessments from fair market value while requiring other residential taxpayers to continue paying property taxes based on fair market value.

6. In effect, these caps discriminate against property owners within the same class (residential real property) in various ways, an outcome that Article 15, § 11 of the Wyoming Constitution expressly forbids. Accordingly, the Board respectfully requests a declaration that Wyo. Stat. Ann.

§§ 39-11-105(a)(xlili) and 39-11-105(a)(xliv) are unconstitutional and an injunction prohibiting their enforcement.

7. Furthermore, the Board respectfully requests that this Court find that per Wyo. Const. Art. 15, §§ 10 & 11 of the Wyoming Constitution, as well as Wyo. Stat. Ann. § 39-11-102.1(c), the Board is tasked with ensuring taxation of residential property reflects full value, and is uniform and equal, and as such, did not exceed its authority when issuing its Examination finding that it could not certify residential property values for this year, because the values were wildly non-uniform and did not reflect full fair market value.

II. PARTIES

8. The Board is a constitutionally mandated executive branch agency responsible for “equalization” of property values within Wyoming’s property tax system. *See* Wyo. Const. art. 15, § 10.; Wyo. Stat. Ann. § 39-11-102.1(c) (2025).³ The State Board’s business office address is 2300 Capitol Ave., Hathaway Bldg. 124, Cheyenne, Wyoming 82002.

9. Counterclaim Plaintiff E. Jayne Mockler is the Chairman of the State Board. In that capacity, she has taken an oath of office to uphold Wyoming’s Constitution.

10. Counterclaim Plaintiff Martin L. Hardsocg is the Vice-Chairman of the State Board. In that capacity, he has taken an oath of office to uphold Wyoming’s Constitution.

11. Counterclaim Defendant State of Wyoming was and is responsible for the enactment and enforcement of the laws of this state and enacted the statutes which are the subject of this action.

³ The State Board is comprised of Chairman E. Jayne Mockler, Vice Chairman Martin L. Hardsocg, and Board Member, Karl Anderson. Karl Anderson joined the State Board from the Attorney General’s Office in October of 2025 and recused himself from participation in this action because he advised the Governor regarding the bill that would, upon enactment, create the caps at issue.

III. COUNTERCLAIM PLAINTIFFS' STANDING

12. Wyoming's Constitution mandates that the Board equalize property tax values among Wyoming's counties. Wyo. Const. art. 15, § 10.

13. The State Board's constitutional regulatory authority, specifically its "equalization" function, is intended to ensure taxation occurs on an equal and uniform basis.

14. To that end, Wyoming law requires the State Board to annually "examine and compare the abstracts of the counties and equalize the same, so that all taxable property in the state is assessed at its fair market value" and certify that local residential property values are assessed at full value and adhere to constitutional uniformity and equality mandates. *See* Wyo. Stat. Ann. § 39-11-102.1(c)(ii) (2025).

15. The State Board is further required to "[d]ecide all questions that may arise with reference to the construction of any statute affecting the assessment, levy and collection of taxes" Wyo. Stat. Ann. § 39-11-102.1(c)(iv) (2025). When the State Board performs its constitutional function, it is empowered to investigate, intervene, and, if necessary, order corrective measures.⁴

16. Thus, while the Department of Revenue shares considerable responsibility for administration of Wyoming's tax laws, the Board's duty is to ensure taxes are constitutionally compliant, reflect fair value, and are assessed uniformly and equally. In other words, to "equalize."

17. Wyoming law expressly requires the Board to "[i]nstitute or cause to be instituted any proceedings, either civil or criminal, . . . in performing its responsibilities to equalize values, or to

⁴ *See Bunten v. Rock Springs Grazing Ass'n*, 215 P. 244, 247–51 (Wyo. 1923) (The State Board has autonomy in its regulatory role and exists, in part, to ensure equal and uniform assessment across the state's counties.); *Solvay Chemicals, Inc. v. Dep't of Revenue*, 2018 WY 124, ¶¶ 12-17, 21–25, 430 P.3d 295, 299–300, 301–03 (Wyo. 2018) (describing State Board's regulatory authority and associated powers as compared to its adjudicatory authority); *Wyodak Res. Dev. Corp. v. State Bd. of Equalization*, 2001 WY 92, ¶¶ 8-14, 32 P.3d 1056, 1058-60 (Wyo. 2001) (State Board must investigate even if party requesting failed to timely appeal assessments.); *Exxon Corp. v. Bd. of Cty. Com'rs, Sublette Cty.*, 987 P.2d 158, 162–64, 166–67 (Wyo. 1999) (State Board, pursuant to its regulatory authority, could investigate alleged tax errors going back years).

prevent the violation or disobedience of any lawful requirement or order regarding appeal or equalization, or to compel their enforcement.” Wyo. Stat. Ann. § 39-11-102.1(c)(vi).

18. The Board is also required to “[c]arefully examine into all cases wherein it is alleged that property subject to taxation has not been assessed or has been fraudulently, improperly, or unequally assessed, or the law in any manner evaded or violated and cause to be instituted proceedings which will remedy improper . . . administration of the tax laws of the state.” Wyo. Stat. Ann. § 39-11-102.1(c)(x)(2025).

19. Counterclaim Plaintiffs Mockler and Hardsocg, first appointed by the Governor in March of 2013 and March of 2015 respectively, each took an oath to uphold Wyoming’s Constitution.

20. Wyo. Stat. Ann. §§ 39-11-105(a)(xlili) and 39-11-105(a)(xliv) preclude the State Board from carrying out its constitutional and statutory mandate to equalize the valuation of all properties in the State.

21. The application of the Value Cap Statutes renders it impossible for the State Board to conclude that residential property tax assessments throughout the state comply with Wyoming’s Constitution, and it therefore *cannot* certify residential property values for assessment and collection purposes.

22. As expressed in its recent Examination, the Valuation Cap Statutes effectively impede the State Board’s ability to comply with its constitutional duty to equalize property valuations and prevent Counterclaim Plaintiffs Mockler and Hardsocg from fulfilling their oaths to uphold the Wyoming Constitution, causing severe institutional injury.

23. In this way, the Board possesses a particularized interest and personal stake in the outcome of the case—i.e., an interest that is distinguishable from a claim raised by any citizen, even others

adversely affected by Wyo. Stat. Ann. §§ 39-11-105(a)(xlili) and 39-11-105(a)(xliv). *See Williams v. Bd. of Cty. Comm'rs of Johnson Cty.*, 2025 WY 127, ¶ 12 579 P.3d 1128, 1133 (Wyo. 2025).

24. A judicial decision declaring the Valuation Cap Statutes and the results of their application unconstitutional will remedy this harm to the Board.

25. Invalidation of the Valuation Cap Statutes will restore assessments on residential property's full fair market value, once again allowing the State Board to equalize and certify valuations in line with the Wyoming Constitution's uniformity requirements and, in turn, allow Counterclaim Plaintiffs Mockler and Hardsocg to comply with their constitutional oaths of office. Such a declaration will have the force and effect of a final judgment upon the State Board's right and obligation to carry out its constitutional equalization function. *See Brimmer v. Thomson*, 521 P.2d 574, 578 (Wyo. 1974); *Allred v. Bebout*, 2018 WY 8, ¶ 51, 409 P.3d 260, 275 (Wyo. 2018).

26. Additionally, the Board's Counterclaims raise a matter of great public importance requiring judicial resolution. The Valuation Cap Statutes impose unequal and non-uniform taxation upon all owners of residential real property in Wyoming, forcing those not favored by the valuation caps to carry a heavier load of the tax burden. Further, the State Board's inability to certify valuations because of the valuation cap statutes will severely disrupt the 2026 assessment cycle and collection of property taxes, causing widespread disorder and assessment uncertainty among County Assessors, Treasurers, and, ultimately, taxpayers.

III. JURISDICTION AND VENUE

27. This Court has jurisdiction over this matter pursuant to Article 5, Section 10 of the Wyoming Constitution because this case belongs to the general class of cases over which the District Court's authority extends and does not fall within the exclusive jurisdiction of another court. In particular, the District Court has jurisdiction over actions seeking declaratory and

injunctive relief pursuant to Wyoming’s Uniform Declaratory Judgment Act and Wyo. R. Civ. P. Rule 57. *Best v. Best*, 2015 WY 133, ¶ 20, 357 P.3d 1149, 1154 (Wyo. 2015).

28. The First Judicial District Court in Laramie County is the proper venue for this action, as Laramie County is the seat of state government, and all Plaintiffs and Defendants are domiciled in Laramie County.

29. Further, all legislative and executive branch actions to enact the cap statutes occurred in the Capitol Building and surrounding complex facilities, located in Laramie County, Wyoming.

30. This Court has jurisdiction to issue the injunctive relief sought herein pursuant to Wyoming Statutes section 1-28-101 *et seq.*, as well as its general powers to interpret and enforce the Wyoming Constitution.

IV. BACKGROUND

A. Wyoming’s Property Tax Structure

31. Article 15, section 11 of the Wyoming Constitution provides: “All property, except as in this constitution otherwise provided, shall be uniformly valued at its full value as defined by the legislature, in four (4) classes” and directs that “[a]ll taxation shall be equal and uniform within each class and subclass of property.”

32. The legislature shall “prescribe such regulations as shall secure a just valuation for taxation of all property, real and personal,” and it may not create “new classes or subclasses or authorize any property to be assessed at a rate other than the rates set for authorized classes.” Wyo. Const. art. 15, § 11.

33. Consistent with Article 15, section 11(a), Wyoming statute directs that “all property shall be annually valued at its fair market value” as of January 1 of each year. Wyo. Stat. Ann. § 39-13-103(b)(ii).

34. Fair market value for residential property is “the amount in cash, or terms reasonably equivalent to cash, a well informed buyer is justified in paying for a property and a well informed seller is justified in accepting, assuming neither party to the transaction is acting under undue compulsion, and assuming the property has been offered in the open market for a reasonable time. . . .” Wyo. Stat. Ann. § 39-11-101(a)(vi) (2025).

35. “Assessed value” is then determined based upon a designated percent of fair market value. The percentages applied to determine assessed value are the same within each class of property defined by Article 15, section 11 of the Wyoming Constitution. For residential property, the applicable percentage is 9.5%. Wyo. Stat. Ann. § 39-13-103(b)(iii).⁵

36. Mill levies are then applied to each property’s assessed or taxable value to calculate property taxes owed by the property’s owner(s). Wyo. Stat. Ann. § 39-13-104 (2025). Some mills are imposed automatically by statute, while others are optional through local governmental determinations. *Id.*

37. Wyoming’s property tax system relies on a “mass appraisal” system to ascertain the fair market value of all residential properties (thousands of accounts in each county), for tax purposes each year, to ensure values are derived from “full value,” and to ensure properties are assessed and taxed uniformly and equally within property classes. *See* Wyo. Stat. Ann. §§ 39-11-102; 39-13-102; 39-13-103 (2025).

⁵ “Assessed value” and “taxable value” are synonymous in Title 39. *See* Wyo. Stat. Ann. § 39-13-103(b)(iii) (defining “taxable value”) and Wyo. Stat. Ann. § 39-11-101(a)(i) (saying “‘Assessed value’ means taxable value”). For consistency, this Complaint will use the term “assessed value.”

38. Wyoming statute requires the Department of Revenue to enact measures by which “appropriate statistical tests” are employed to monitor the assessment of taxes on residential properties. Wyo. Stat. Ann. § 39-11-102(c)(xxv) (2025).

39. The Department of Revenue and the State Board annually measure whether assessors are valuing properties at “full” or fair market value and whether assessors are valuing and assessing properties uniformly. *See* Rules, Wyo. Dep’t of Revenue, Ch. 9 §§ 6-7 (2016); Rules, Wyo. State Bd. of Equalization, Ch. 5 § 6 (2021).

40. Wyo. Stat. Ann. §§ 39-11-105(a)(xliii) and 39-11-105(a)(xliv) deliberately depart from this taxation framework by replacing the constitutionally required full value with a capped value, thereby nullifying the Constitution’s full-value and uniformity requirements for capped properties and removing those properties from the State Board’s constitutionally mandated oversight.

B. Enactment of the Valuation Cap Statutes

41. Wyoming lawmakers expressly intended Wyo. Stat. Ann. §§ 39-11-105(a)(xliii) and 39-11-105(a)(xliv) to act as a “tax cap.” *House Revenue Committee Hearing*, February 15, 2024, <https://www.youtube.com/watch?v=DJ97X2uIMlg> at approximately 4:30 to 5:45; *see also Wyoming Senate Judiciary Hearing*, February 20, 2024, https://www.youtube.com/watch?v=qIn_srb0f5w at approximately 1:10 to 3:30 (discussing intent of Senate File 0063, a mirror version of the Bill).

42. The State Board warned legislative committees of the nearly immediate unconstitutional outcomes upon enactment of the valuation cap statutes.

43. Members of the legislature acknowledged that it was working around constitutional requirements to implement the legislation immediately. *Id.*

44. In passing the valuation caps, the Wyoming Legislature relied upon Article 15, section 12, which allows the legislature to exempt certain property from taxation, despite openly questioning the constitutionality of this action, and doing so in order to circumvent the requirements of Article 15, section 11. *House Revenue Committee Hearing*, February 15, 2024, <https://www.youtube.com/watch?v=DJ97X2uIMIg> at approximately 19:15 to 20:55.

45. Codified as Wyo. Stat. Ann. §§ 39-11-105(a)(xliii) and 39-11-105(a)(xliv), the enactment created two residential property “exemptions.” Subsection (a)(xliv) became effective January 1 of 2025, while subsection (a)(xliii) became effective January 1 of 2024. 2024 Wyo. Sess. Laws 228-30, Sec. 2.

46. Through enactment of the Valuation Cap Statutes, Wyoming’s legislature intended that many of Wyoming’s residential taxpayers would no longer be assessed at a uniform percentage of fair market value, as required under Article 15, section 11 of the Wyoming Constitution.

C. Operation of the Valuation Caps

47. Although styled as “exemptions,” Wyo. Stat. Ann. §§ 39-11-105(a)(xliii) and 39-11-105(a)(xliv) in fact operate as caps and fundamentally alter fair market valuation of many single-family residential properties by continuously limiting assessed values to 104% of the previous year’s assessed values.

48. The CAMA system operationally caps residential property values by capping the full appraised values because the system is unable to cap assessed values.

49. Subsection 39-11-105(a)(xliii) caps assessed value increases of residential improvements, while subsection 39-11-105(a)(xliv) caps assessed values of residential lands. *See* Wyo. Stat. Ann. §§ 39-11-105(a)(xliii); 39-11-105(a)(xliv).

50. Pursuant to Wyo. Stat. Ann. §§ 39-11-105(a)(xliii) and 39-11-105(a)(xliv), two activities or events instantly render the valuation caps inapplicable for a given tax year and reset the baseline value for potentially capping future assessed values: 1) certain types of acquisitions of the residential property that occurred in the prior tax year (“arm’s-length sales”); and, 2) certain types of property improvements which add to the livable space of a residential improvement that occurred in the prior tax year. *See* Wyo. Stat. Ann. §§ 39-11-105(a)(xliii); 39-11-105(a)(xliv); *see also* Rules, Wyo. Dep’t of Revenue, ch. 14 § 18(f) (2024) (defining “additions to existing structure”).

51. When either an arm’s-length sale or specified property improvement occurs, the valuation caps do not apply and the residential property and/or land value is reset and is again taxed that year at its full or fair market value, such that the 9.5% assessment again rate applies to the “full” fair market appraised value. *See* Wyo. Stat. Ann. §§ 39-11-105(a)(xliii); 39-11-105(a)(xliv).

52. Thus, the caps artificially suppress assessed values below the full value-derived assessed value (9.5% of appraised market value). When the caps apply in subsequent years, the separation between full value assessments and capped assessments often increases such that full value becomes irrelevant to assessed value.

53. Meanwhile, residential property owners whose properties do not increase in market value more than four percent (4%) continue to be assessed at 9.5% of fair market value.

54. Even among capped properties, the capped portion of fair market value may vary significantly depending upon the timing of the acquisition of the property, or timing and scope of improvements to residential properties.

D. Unconstitutional Outcomes

55. The valuation caps prevent properties to which they are applied from being assessed at full value, instead, artificially suppressing value based on arbitrary factors rather than market reality. The result is that similarly situated properties with identical fair market values may be assigned different assessed values, destroying uniform valuation and taxation. Functionally, the statutes do not exempt property from taxation—they manipulate property assessed values in an inconsistent and arbitrary manner.

56. The State Board has gathered voluminous, irrefutable evidence of non-uniform, unequal assessment outcomes between like or similarly situated residential properties, as described below.

57. The valuation caps' effects upon the assessments of Wyoming's residential properties have occurred precisely as the State Board warned would occur and are entirely consistent with the stated intent to implement a "tax cap" without amending the Wyoming Constitution.

i. The valuation caps prevent full value assessment required under Section 11(a).

58. The valuation caps, triggered because a property's fair market value has increased by more than 4%, often render "full value" irrelevant because assessed value is no longer a uniform percentage (9.5%) of fair market value.

59. This is especially true for properties that increase by more than 4% in consecutive years. Upon successive residential property fair market value increases of greater than 4%, the difference between a residential property's fair market value and capped assessed values may increase dramatically, such that appraised fair market value is no longer determinative of assessed value or relevant to the assessment process.

60. Approximately 60% of Wyoming's residential properties are taxed at a capped assessed value and, for those properties, a property's market or "full value" is no longer determinative of assessed value.

61. For residential properties not benefitting from the valuation caps, such as a home purchased in the last year, the properties continue to be assessed at 9.5% of full, fair market value.

62. Effectively, then, the valuation caps impose different assessment rates to residential properties: one (capped) rate for residential properties experiencing rapid valuation increases and another for residential properties that are not.

63. Within neighborhoods, counties, and among counties, there is often a wide disparity between assessed values as a percentage of fair market value.

64. There is no legally justifiable reason why owners whose residential properties are not experiencing rapid growth should be forced to pay a disproportionate share of the tax burden or a higher assessment rate applied to full market value.

ii. The valuation caps ensure non-uniformity and unequal treatment among like, or even identical, properties when they are sold.

65. The valuation caps require that upon an arm's-length sale of a residential property, the property loses the valuation cap and is taxable at fair market value, systematically discriminating against property owners who purchase properties when compared to neighboring property owners who have not recently purchased a residence and who are enjoying a capped assessed value.

66. As a result, the valuation caps create de facto subclasses of property within the residential real property class: 1) new owners of residential properties and 2) property owners who have not recently purchased their properties. The valuation caps intentionally and foreseeably discriminate against new owners of residential properties, often imposing higher tax liabilities upon them when compared to neighboring properties.

67. Because newly purchased residential properties are assessed at their full assessable value, while like or identical properties may enjoy a capped assessed value, the valuation cap violates Article 15, section 11 (a), (c), and (d) of Wyoming’s Constitution.

68. The unconstitutional non-uniformity is continuing and often locked in once a property is purchased and its assessed value is no longer capped relative to neighboring properties that enjoy a valuation cap. The disparity between that property’s assessable value and similar or identical unsold properties going forward does not necessarily diminish.

69. The State can offer no legal justification for the disparate treatment and discriminatory tax assessments of new residential property owners, relative to owners who have not recently purchased.

iii. The valuation caps discriminate in favor of property owners who remodel residential properties versus those who change the living space or foundational footprint of properties.

70. Property owners who add on to residential living space or alter the foundational perimeter of a residential improvement lose the valuation cap, and those properties are assessable at their full market value in that tax year. *See* Wyo. Stat. Ann. §§ 39-11-105(a)(xliii); 39-11-105(a)(xliv); Rules, Wyo. Dep’t of Revenue, ch. 14 § 18(f) (2024) (defining residential changes that disqualify property from exemption: “an extension or increase in the floor area or height of a single-family residential structure, or structural conversion of previously uninhabitable structure to a structure legally approved for human habitation.”).

71. For those properties, the valuation cap can only apply in future years based upon the full market value assessment as of the time of the increase in footage, regardless of valuation change resulting from the increase in footage (de minimis or substantial).

72. Meanwhile, property owners who alter properties within the residential structure's existing square footage and foundation, such as a basement remodel or internal improvement, *do not* lose the valuation cap, and any appreciation generated from the remodeling is exempt up to the 4% cap range.

73. This is true regardless of the extent of the remodel, meaning that homes that appreciate substantially due to extensive renovations will enjoy the benefit of the capped value, even if in reality, the remodel increased the market value of the home by hundreds of thousands of dollars.

74. Meanwhile, a neighbor who adds even a single additional square foot to his home's floor area, will lose the benefit of the cap, even if the increase to his property's actual value is de minimis.

75. Thus, the valuation caps discriminate against property owners who add square footage to their residences when compared to property owners who improve only interior residential features. The discrimination is intentional, systematic and discriminates against many Wyoming property owners.

76. The valuation caps also discriminate in favor of property owners who remodel or improve within a residential structure, as they receive a cap exceeding the cap enjoyed by property owners who are also subject to a cap, but who do not improve their properties.

77. The State can offer no legal justification for discriminating against property owners who add square footage versus those who remodel.

iv. Capped properties are effectively removed from the Constitution's full value and uniform taxation framework, as well as the State Board's equalization oversight.

78. The Constitution requires and assumes a "full value" starting point for residential property taxation.

79. By statute, assessors are to appraise all residential properties at fair market value on January 1 of each year. The Department and State Board monitor appraisal performance to ensure compliance with the Constitution and associated statutory law.

80. Statutory law requires an assessed value rate of 9.5% of full value for residential real property.

81. The valuation caps ensure that “full” or fair market value is not determinative of assessed value for approximately 60% of Wyoming’s residential properties, while approximately 40% of Wyoming residences remain subject to the fair market value-driven assessments.

82. Prior to enactment of the valuation caps, the Department and State Board developed statistical analytics for detecting “sales chasing,” which occurs when an assessor adjusts or changes a property’s assessed value in response to a sale, but does not uniformly change the assessed values of unsold properties. *See* Rules, Wyo. St. Board of Equalization, Ch. 5 § 8(a)(ii)(F) (2021) (requiring that market valuations in sold and unsold properties within a grouping deviate by less than 5%). Mass appraisal practices dictate that assessors guard against “sales chasing” because the practice results in non-uniform assessment and taxation, often increasing the taxable valuations of sold properties at a rate higher than unsold properties. *See* International Association of Appraisal Officers, *Standard on Ratio Studies* (Apr. 2013), *Definitions: “Sales chasing”* (stating that sales chasing causes invalid uniformity results and causes invalid appraisal level results”); *see also* 2009 Wyo. Sess. Laws, Ch. 116, *Property Tax Assessment Rules*, § 2 (stating rules adopted by the Wyoming Department of Revenue “shall comply with generally accepted statistical methods and the International Association of Appraisal Officers standards.”).

83. The valuation caps *ensure* that many purchased properties will be taxed disproportionately higher than non-purchased properties as a matter of law. In other words, the valuation caps ensure non-uniformity.

84. The valuation caps ensure that properties increasing in value at a higher rate when compared to other properties pay less taxes as a percentage of fair market value.

85. The valuation caps prevent the State Board from effectively equalizing and assuring uniformity at the assessed value level through assessor oversight.

86. Mass appraisal practices generally impact only those properties assessed at their full value. For properties assessed at less than the statutory 9.5% assessment rate applied to full value due to the valuation cap's reduction, the State Board's regulatory function is diminished or irrelevant.

87. The valuation caps effectively remove capped properties from the property taxation framework set forth in Article 15, section 11 of the Wyoming Constitution and statutory assessment practice, while non-capped property owners remain subject to that framework.

V. CLAIMS FOR RELIEF

First Cause of Action:

Declaratory Judgment pursuant to Wyo. Stat. Ann. §§ 1-31-101 *et seq.* and Wyo. R. Civ. P. 57

88. This claim is brought pursuant to Wyoming's Uniform Declaratory Judgments Act, Wyo. Stat. Ann. §§ 1-37-101 *et seq.* and Wyo. R. Civ. P. 57.

89. Counterclaim Plaintiffs' rights, status or other legal relations are affected by the Wyoming Constitution and the challenged valuation caps, in that the caps prevent Counterclaim Plaintiffs from fulfilling their constitutional obligations to ensure equal and uniform taxation, as well as assessment of residential properties at the statutorily mandated percentage of "full value."

90. Based on the foregoing, Counterclaim Plaintiffs seek declaratory relief, asking the Court to declare that Wyoming Statutes 39-11-105(a)(xliii) and 39-11-105(a)(xliv) violate Article 15, section 11 of the Wyoming Constitution and are therefore invalid.

91. Furthermore, the Board is tasked pursuant to Wyoming Constitution art. 15, § 10 to ensure equal and fair values through the Board's certification process.

92. As such, the Board seeks declaratory relief, asking the Court to declare that the Board is not required to certify assessments that do not meet this constitutional standard.

Second Cause of Action:

Injunctive Relief Pursuant to Wyo. Stat. Ann. § 1-28-101 *et seq.* and Wyo. R. Civ. P. 65

93. The valuation caps, and the Boards' enforcement thereof, violate the Wyoming Constitution.

94. No adequate remedy at law exists to remedy Counterclaim Defendants' violation of the Wyoming Constitution.

95. Pursuant to Wyo. R. Civ. P. 65 and Wyo. Stat. Ann. § 1-28-101 *et seq.*, Counterclaim Plaintiffs, Wyoming's citizens, and Wyoming governmental subdivisions will suffer irreparable harm if subjected to unequal, non-uniform taxation caused by the unconstitutional valuation caps. Counterclaim Plaintiffs are entitled to a permanent injunction enjoining enforcement of Wyoming Statutes 39-11-105(a)(xliii) and 39-11-105(a)(xliv).

VI. REQUEST FOR RELIEF

WHEREFORE, Counterclaim Plaintiffs respectfully requests the following relief:

1. A declaration that Wyo. Stat. Ann. §§ 39-11-105(a)(xliii) and 39-11-105(a)(xliv) violate Article 15, section 11 of the Wyoming Constitution and are therefore invalid;
2. An order commanding the State to cease enforcement of Wyo. Stat. Ann. §§ 39-11-105(a)(xliii) and 39-11-105(a)(xliv);
3. An order finding that the Board did not err or act ultra vires when it stated it could not certify residential property values that were not for full value or uniform; and
4. Such other and further relief as the Court deems just and equitable.

DATED this 29th day of July, 2026.

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CERTIFICATE OF SERVICE

This is to certify that on the 29th day of July, 2026, a true and correct copy of the foregoing was served upon counsel, as follows:

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- ☐ U.S. Mail
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/s/ Lori Logemann
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