



## 1999 ASSEMBLY BILL 163

March 4, 1999 - Introduced by Representatives SYKORA, WOOD, ALBERS, FREESE, GROTHMAN, GUNDERSON, F. LASEE, MILLER, KELSO, MONTGOMERY, MUSSER, OWENS, POWERS, RYBA, SKINDRUD, URBAN, WASSERMAN and ZIEGELBAUER, cosponsored by Senators DRZEWIECKI, LAZICH and SCHULTZ. Referred to Committee on Ways and Means.

1     **AN ACT to amend** 77.51 (4) (b) 1. and 77.51 (15) (b) 1. of the statutes; **relating**  
2     **to:** the sales taxes on purchases made with a manufacturer's rebate.

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### *Analysis by the Legislative Reference Bureau*

Under current law, the state imposes a sales tax on all retailers at the rate of 5% of the gross receipts from the sale of goods. The retailer generally passes the sales tax on to the consumer. The state also imposes a use tax on all consumers, at the rate of 5% of the sales price, for the consumption, use or storage of goods in this state that the consumer purchases from out-of-state retailers. Under current law, when a consumer purchases an automobile that qualifies for a manufacturer's rebate, the consumer pays either a sales tax or a use tax on the original price of the automobile rather than on the price as reduced by the manufacturer's rebate.

Under this bill, when the consumer purchases an automobile with a manufacturer's rebate, the consumer pays a sales tax or a use tax on the reduced price rather than on the original price.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

3     **SECTION 1.** 77.51 (4) (b) 1. of the statutes is amended to read:

