



2005 SENATE BILL 333

September 14, 2005 – Introduced by Senators HANSEN, ROESSLER, CARPENTER, LASSA and WIRCH, cosponsored by Representatives MCCORMICK, NELSON, KRAWCZYK, SHERIDAN, GUNDERSON, ALBERS, BOYLE, FIELDS, BERCEAU and SUDER. Referred to Joint Survey Committee on Tax Exemptions.

1 **AN ACT to create** 77.54 (50) of the statutes; **relating to:** a sales and use tax
2 exemption for certain tangible personal property sold in August.

Analysis by the Legislative Reference Bureau

This bill creates a sales and use tax exemption for certain tangible personal property purchased during the three-day period beginning on the first Friday of August and ending on the following Sunday. The exemption applies to sales of clothing, clothing accessories, footwear, school supplies, computers, and printers. The exemption does not apply to sales of jewelry, cosmetics, eyewear, wallets, watches, furniture, or items that are placed on layaway.

This bill will be referred to the Joint Survey Committee on Tax Exemptions for a detailed analysis, which will be printed as an appendix to this bill.

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

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

3 **SECTION 1.** 77.54 (50) of the statutes is created to read:
4 77.54 (50) (a) Annually, for the 3-day period beginning on the first Friday in
5 August and ending on the following Sunday, the gross receipts from the sale of and

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1 the storage, use, or other consumption of the following tangible personal property
2 that is sold by a retailer located in this state:

- 3 1. Clothing.
- 4 2. Clothing accessories, including hats, scarves, hosiery, and handbags.
- 5 3. Footwear.
- 6 4. School supplies, including pens, pencils, paper, binders, notebooks, books,
7 book bags, lunch boxes, and calculators.
- 8 5. Computers, printers, printer supplies, and computer software.

9 (b) 1. The exemption under this subsection does not apply to the sale of or the
10 storage, use, or other consumption of the following:

- 11 a. Jewelry.
- 12 b. Cosmetics.
- 13 c. Eyewear.
- 14 d. Wallets.
- 15 e. Watches.
- 16 f. Furniture.
- 17 g. An item placed on layaway or on any similar deferred-payment and delivery
18 plan.
- 19 h. An item for use in a trade or business.

20 2. The exemption under this subsection does not apply to the lease or rental of
21 any item for use in a trade or business, of clothing, or of footwear.

22 3. The exemption under this subsection does not apply to the taxes imposed
23 under subch. V.

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1 (c) On or before July 10 of each year, the department shall publish and make
2 available to the public and retailers a list of the tangible personal property for which
3 an exemption is allowed under this subsection.

4 **SECTION 2. Effective date.**

5 (1) This act takes effect on the first Friday of August 2006.

6 (END)