



1999 ASSEMBLY BILL 53

January 21, 1999 - Introduced by Representatives BRANDEMUEHL, OTT, FREESE, GOETSCH, STEINBRINK, GUNDERSON, GROTHMAN, HOVEN, HUEBSCH, KREIBICH, GRONEMUS, KEDZIE, ALBERS, AINSWORTH, MUSSER, LASSA, OLSEN, OWENS, PETTIS, POWERS, REYNOLDS, SERATTI, SUDER, SKINDRUD, SYKORA, SPILLNER and WARD, cosponsored by Senators SCHULTZ, A. LASEE, FITZGERALD and ROESSLER. Referred to Committee on Agriculture.

1 **AN ACT to amend 77.54 (34); and to create 77.54 (3m) (n) of the statutes;**
2 **relating to: exempting from the sales tax and the use tax farm animal ear tags**
3 **and mastitis detection solution.**

Analysis by the Legislative Reference Bureau

Under current law, various products that are used in farming are exempt from the sales tax and the use tax, such as seeds for planting, animal bedding, fertilizer, medicines used on certain farm livestock and milk house supplies. This bill exempts from the sales tax and the use tax farm animal ear tags and mastitis detection solution.

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 and local* 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:

4 **SECTION 1.** 77.54 (3m) (n) of the statutes is created to read:

5 77.54 (3m) (n) Ear tags used on farm animals.

6 **SECTION 2.** 77.54 (34) of the statutes is amended to read:

ASSEMBLY BILL 53

1 77.54 (34) The gross receipts from the sale of and the storage, use or other
2 consumption of milk house supplies used exclusively in producing and handling milk
3 on dairy farms, including mastitis detection solution.

4 **SECTION 3. Effective date.**

5 (1) This act takes effect on the first day of the 2nd month beginning after
6 publication.

7 **(END)**

FISCAL ESTIMATE

DOA-2048 N(R10/98)

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.

LRB 0684/1

AB 53

Amendment No. if Applicable

Subject

Sales and Use Tax Exemption for Farm Animal Ear Tags and Mastitis Detection Solution

Fiscal Effect

State: No State Fiscal Effect
 Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

- Increase Existing Appropriation Increase Existing Revenues
 Decrease Existing Appropriation Decrease Existing Revenues
 Create New Appropriation

Increase Costs - May be Possible to Absorb
 Within Agency's Budget Yes No

Decrease Costs

Local: No Local Government Costs

1. Increase Costs
 Permissive Mandatory
 2. Decrease Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory
 4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
 Towns Villages Cities
 Counties Others _____
 School Districts WTCS Districts

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

This bill would exempt sales of farm animal ear tags and mastitis detection solution from the sales and use tax. Under current law, animal identification tags sold by the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP); that agency's sales in FY98 were \$21,550. Sales of insecticide tags are also exempt, since insecticides used in farming are not subject to sales tax.

Data on total sales of farm identification tags are not available, so an estimate of the effect of the proposed exemption on state, county and stadium sales taxes cannot be made. Sales of mastitis detection solution, according to DATCP, are not significant, so the effect on state, county and stadium district tax collections is expected to be minimal.

Long-Range Fiscal Implications

Agency/Prepared by: (Name & Phone No.)	Authorized Signature/Telephone No.	Date
Wisconsin Department of Revenue Dennis Collier, (608) 266-5773	Yeang-Eng Braun (608) 266-2700 <i>Yeang Eng Braun</i>	12/22/98

1999 Session

FISCAL ESTIMATE
DOA-2047 N(R10/98)

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.	Amendment No.
LRB 0684/2	

Subject
Sales and Use Tax Exemption for Farm Animal Ear Tags and Mastitis Detection Solution

I. One-Time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:	Annualized Fiscal impact on State Funds from:	
A. State Costs by Category	Increased Costs	Decreased Costs
State Operations - Salaries and Fringe (FTE Position Changes)	\$	\$ -
State Operations-Other Costs	(FTE)	(- FTE)
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$	\$ -
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes	\$	\$ - See Text
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$	\$ -See Text

NET ANNUALIZED FISCAL IMPACT

	STATE	LOCAL
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUES	\$ See Text	\$ See Text

Agency/Prepared by: (Name & Phone No.) Wisconsin Department of Revenue Dennis Collier, (608) 266-5773	Authorized Signature/Telephone No. Yeang-Eng Braun (608) 266-2700 <i>Yeang Eng Braun</i>	Date 12/22/98
---	---	------------------

FISCAL ESTIMATE

DOA-2048 (R 10/94)

- ORIGINAL
- CORRECTED
- UPDATED
- SUPPLEMENTAL

LRB or Bill No. / Adm. Rule No.

LRB 0684/1 AB 53

Amendment No. (If Applicable)

Subject

Farm Animal Ear Tag and Mastitis Detection Solution Sales Tax Exemption

Fiscal Effect

State: No State Fiscal Effect
 Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

- Increase Existing Appropriation
- Decrease Existing Appropriation
- Create New Appropriation
- Increase Existing Revenues
- Decrease Existing Revenues

- Increase Costs - May be possible to Absorb Within Agency's Budget Yes No
- Decrease Costs

Local: No local government costs

- 1. Increase Costs
 - Permissive Mandatory
- 2. Decrease Costs
 - Permissive Mandatory

- 3. Increase Revenues
 - Permissive Mandatory
- 4. Decrease Revenues
 - Permissive Mandatory

5. Types of Local Governmental Unit Affected:

- Towns Villages Cities
- Counties Others _____
- School Districts WTCS Districts

Fund Source Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

This bill exempts from the sales tax and the use tax farm animal ear tags and mastitis detection solution.

This proposal does not affect any programs regulated by DATCP; therefore there is no fiscal impact on DATCP.

Long - Range Fiscal Implications

None

Agency/prepared by: (Name & Phone No.)

DATCP
Lynn Jarzombek (608) 224-4883

Authorized Signature/Telephone No.

Barbara Knapp
Barbara Knapp (608) 224-4746

Date

12/14/98

Vote Record

Assembly Committee on Agriculture

Date: 05/06/99
 Moved by: Rep. Plouff Seconded by: Rep. Petrowski
 AB: 314 Clearinghouse Rule: _____
 AB: _____ SB: _____ Appointment: _____
 AJR: _____ SJR: _____ Other: _____
 A: _____ SR: _____

A/S Amdt: _____
 A/S Amdt: _____ to A/S Amdt: _____
 A/S Sub Amdt: _____
 A/S Amdt: _____ to A/S Sub Amdt: _____
 A/S Amdt: _____ to A/S Amdt: _____ to A/S Sub Amdt: _____

Be recommended for:

- Passage
- Introduction
- Adoption
- Rejection

- Indefinite Postponement
- Tabling
- Concurrence
- Nonconcurrence
- Confirmation

Committee Member

Rep. Alvin Ott, Chair
 Rep. Jerry Petrowski
 Rep. Eugene Hahn
 Rep. Steve Kestell
 Rep. Joan Spillner
 Rep. Scott Suder
 Rep. John Ainsworth
 Rep. Tom Sykora
 Rep. Barbara Gronemus
 Rep. Julie Lassa
 Rep. Joe Plouff
 Rep. Marty Reynolds
 Rep. John Steinbrink
 Rep. Sarah Waukau

	Aye	No	Absent	Not Voting
Rep. Alvin Ott, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Jerry Petrowski	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Eugene Hahn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Steve Kestell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Joan Spillner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Scott Suder	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. John Ainsworth	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Tom Sykora	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Barbara Gronemus	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep. Julie Lassa	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Joe Plouff	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Marty Reynolds	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. John Steinbrink	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Sarah Waukau	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Totals: 13 0 1 0

Motion Carried

Motion Failed

Vote Record

Assembly Committee on Agriculture

Date: 09/30/99
 Moved by: Ainsworth Seconded by: Plouff
 AB: 53 Clearinghouse Rule: _____
 AB: _____ Appointment: _____
 AJR: _____ SR: _____ Other: _____
 A: _____ SR: _____

A/S Amdt: _____
 A/S Amdt: _____ to A/S Amdt: _____
 A/S Sub Amdt: _____
 A/S Amdt: _____ to A/S Sub Amdt: _____
 A/S Amdt: _____ to A/S Amdt: _____ to A/S Sub Amdt: _____

Be recommended for:

- Passage
- Introduction
- Adoption
- Rejection

- Indefinite Postponement
- Tabling
- Concurrence
- Nonconcurrence
- Confirmation

Committee Member

	<u>Aye</u>	<u>No</u>	<u>Absent</u>	<u>Not Voting</u>
Rep. Alvin Ott, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Jerry Petrowski	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Eugene Hahn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Steve Kestell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Joan Spillner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Scott Suder	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. John Ainsworth	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Tom Sykora	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Barbara Gronemus	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Julie Lassa	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Joe Plouff	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Marty Reynolds	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. John Steinbrink	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Sarah Waukau	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Totals:	<u>14</u>	<u>0</u>	<u>0</u>	<u>0</u>

Motion Carried

Motion Failed