

Assembly Hearing Slip

(Please print plainly)

Date: 5-6-99  
Bill No. AB-53  
Or Subject TAX EXEMPTION  
John O'Brien (STAFF)  
(Name)  
PO Box 7882  
(Street Address or Route Number)  
MADISON WI 53708  
(City & Zip Code)  
SENATOR Dale Schultz  
(Representing)

- Speaking in favor:
- Speaking against:
- Registering in favor:
- Registering against:
- Speaking for information only:
- Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms:  
Room 411 West  
State Capitol  
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: May 6-99  
Bill No. AB 53  
Or Subject  
Clarene Siroky  
(Name)  
~~PO Box 8911~~  
(Street Address or Route Number)  
Madison, WI  
(City & Zip Code)  
DACP  
(Representing)

- Speaking in favor:
- Speaking against:
- Registering in favor:
- Registering against:
- Speaking for information only:
- Neither for nor against:

Please return this slip to a messenger promptly.

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Room 411 West  
State Capitol  
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 5/6/99  
Bill No. RB 53  
Or Subject  
Rep David Brandemuhl  
(Name)  
(Street Address or Route Number)  
(City & Zip Code)  
Rutkov  
(Representing)

- Speaking in favor:
- Speaking against:
- Registering in favor:
- Registering against:
- Speaking for information only:
- Neither for nor against:

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Madison, WI 53702

AB53b

STATE OF WISCONSIN

A1

05/05 Time 1:40

WHILE YOU WERE OUT

Sherric Gots-Hendrix

DOR

7-1262

phoned	<input checked="" type="checkbox"/>	Please Call
ed to See You		Rush
urned Your Call		Will Call Again

Age DOR does not oppose the bill - AB 53



Party Receiving Call

AN

Assembly Hearing Slip

(Please print plainly)

Date: 5/6/96

Bill No. AB 53

Or. Sales Tax

Subject Lass Weisend

(Name) Lass Weisend

(Street Address or Route Number) 2820 Walter Commons W #100

(City & Zip Code) Madison 53718

(Representing) WI Agribusiness Council

Speaking in favor:

Speaking against:

Registering in favor:

Registering against:

Speaking for information only; Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms:  
Room 411 West  
State Capitol  
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 5/6/99

Bill No. AB 53

Or. Paul Zimmerman

Subject Paul Zimmerman

(Name) Paul Zimmerman

(Street Address or Route Number) 1212 Denny Way

(City & Zip Code) Madison WI 53705

(Representing) WI Farm Bureau

Speaking in favor:

Speaking against:

Registering in favor:

Registering against:

Speaking for information only; Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms:  
Room 411 West  
State Capitol  
Madison, WI 53702



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## DAVID BRANDEMUEHL

State Representative  
49th Assembly District

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### TESTIMONY FOR AB 53 Thursday, May 6, 1999

Chairman Ott, members of the committee, thank you for providing me the opportunity this morning to speak on behalf of Assembly Bill 53.

If enacted into law, this legislation will add cattle ear tags and mastitis test solution to the list of items exempted from the Wisconsin sales and use tax as outlined in Department of Revenue publication 221. Based on a conversation with a constituent last September, I learned that these items were not specifically included in DOR publication 221. As a result, my constituent was subject to the sales tax on these items while the remainder of his purchases were exempted.

For an item to qualify for exemption, it must meet all three of the following tests:

- a. The item must have an **EXCLUSIVE** use in farming
- b. The item must have a **DIRECT** use in farming
- c. The item **MUST NOT BE** attached to, fastened to, connected to, or built into real property; or become an addition to, component of, or capital improvement of real property; when sold to the farmer.

Cattle ear tags and mastitis detection solution clearly meet these tests and should rightfully be exempted from the sales and use tax. Passage of this bill will clarify this fact and eliminate the burden placed on the clerks at the point of sale who may feel compelled to charge the tax on items that are not individually listed in DOR publication 221.

Thanks again for providing me the opportunity to testify this morning. Pursuant to your questions, this concludes my testimony.

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.)

Wisconsin Department of Revenue

Dennis Collier, (608) 266-5773

Authorized Signature/Telephone No.

Yeang-Eng Braun

(608) 266-2700

*Yeang Eng Braun*

Date

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)	( FTE)	(- FTE)
State Operations-Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
<b>TOTAL State Costs by Category</b>	<b>\$</b>	<b>\$ -</b>
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		-
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$ -See Text</b>

**NET ANNUALIZED FISCAL IMPACT**

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ _____	\$ _____
NET CHANGE IN REVENUES	\$ See Text	\$ See Text

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