

2007 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-SB40)

Received: 06/27/2007

Received By: jkreye

Wanted: As time permits

Identical to LRB:

For: Legislative Fiscal Bureau

By/Representing: Rushmer

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters:

Subject: Tax, Other - sales

Extra Copies:

Submit via email: YES

Requester's email:

Carbon copy (CC:) to: joseph.kreye@legis.wisconsin.gov

Pre Topic:

LFB:.....Rushmer -

Topic:

Sales and use tax exemption for clay pigeons

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	jkreye 06/27/2007	kfollett 06/27/2007	jfrantze 06/27/2007	_____	sbasford 06/28/2007		

FE Sent For:

<END>

2007 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-SB40)

Received: 06/27/2007

Received By: jkreye

Wanted: As time permits

Identical to LRB:

For: Legislative Fiscal Bureau

By/Representing: Rushmer

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters:

Subject: Tax, Other - sales

Extra Copies:

Submit via email: YES

Requester's email:

Carbon copy (CC:) to: joseph.kreye@legis.wisconsin.gov

Pre Topic:

LFB:.....Rushmer -

Topic:

Sales and use tax exemption for clay pigeons

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	jkreye	11kjf 6/27		J. Sell 6/27			

FE Sent For:

<END>

Erin Rushmer

ER

for budget
See me, please
Mary

Bruhn, Mike

From: Wagner, Mike
Sent: Tuesday, June 19, 2007 5:01 PM
To: Bruhn, Mike
Subject: Clay Pigeons (Budget-Related)

Mike,

Senator Roessler talked to your co-worker today regarding a technical budget amendment about the current clay pigeons tax exemption. Inadvertently, Act 327 from the 2005 session had the effect of eliminating the sales and use tax exemption for purchases of clay pigeons by some gun clubs. The Department of Revenue caught this effect and shared it with the Senator. Their summary of the problem is below:

"Currently, a sales and use tax exemption for clay pigeons is provided in sec. 77.54(47)(b), Wis. Stats. This exemption was provided in 2003 Act 128 as a result of legislative concern that some double taxation was occurring because prior statutes required game farms & shooting facilities to charge both (1) sales tax to the hunters who hunt game birds and (2) to pay sales tax on the initial purchase of game birds. The statutory exemption currently reads as follows:

"Clay pigeons that are sold to a shooting facility, if any of the following applies:

- 1. The shooting facility is required to pay the tax imposed under s. 77.52 on its gross receipts from charges for shooting at the facility.*
- 2. The shooting facility is a nonprofit organization that charges for shooting at the facility, but is not required to pay the tax imposed under s. 77.52 on its gross receipts from such charges because the charges are for occasional sales, as provided under sub. (7m)."*

Effective July 1, 2007, a sales and use tax exemption will be provided for sales of admissions by a gun club that is nonprofit organization, provided the gun club provides safety classes to at least 25 individuals in the calendar year (2005 Act 327).

After the new exemption for gun club admissions goes into effect, purchases of clay pigeons will become taxable for those gun clubs that qualify for the admissions exemption. This is because the gun clubs that will not have to pay tax on their admissions after July 1, 2007 will not meet either of the conditions specified in the statutes to qualify for the clay pigeon exemption provided in sec. 77.54(47)(b), Wis. Stats. Such gun clubs will not meet Condition 1 because they will not be required to pay tax on their admissions (imposed under s. 77.52 on their gross receipts from charges for shooting at the facilities), and they will not meet Condition 2 because the charges are not exempt from tax as occasional sales under sec. 77.54(7m), Wis. Stats.

If you are looking to reinstate the exemption for clay pigeons, which will expire on July 1, 2007, we would recommend using this statutory language:

Amend sec. 77.54(47)(b)2., Wis. Stats., to add the following phrase at the end of this

subdivision:

“, or because the charges meet the exemption provided in s. 77.52(2)(a)2.b.”

This change would have no additional fiscal impact other than to protect the current exemption that is available for some sales of clay pigeons.”

If this is something that you can include in your amendment package, please let me know as soon as possible.

Thanks,

Mike Wagner
Office of Sen. Carol Roessler
608-266-5300



State of Wisconsin
2007 - 2008 LEGISLATURE

LRBb0763/1
JK:K.A. F

LFB:.....Rushmer - Sales and use tax exemption for clay pigeons

FOR 2007-09 BUDGET -- NOT READY FOR INTRODUCTION

ASSEMBLY AMENDMENT ,

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 2007 SENATE BILL 40

m 6-27-07

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 1140, line 8: delete "and 2.". *#. Page 1140: line 8: delete "are" and substitute "is".*

3 **2.** Page 1140, line 11: delete lines 11 to 14 and substitute:

4 **"SECTION 2410d.** 77.54 (47) (b) 2. of the statutes is amended to read:

5 77.54 (47) (b) 2. The shooting facility is a nonprofit organization that charges

6 for shooting at the facility, but is not required to pay the tax imposed under s. 77.52

7 on its gross receipts from such charges because the charges are for occasional sales,

8 as provided under sub. (7m), or because the charges satisfy the exemption under s.

9 77.52 (2) (a) 2. b.



State of Wisconsin
2007 - 2008 LEGISLATURE

LRBb0763/1
JK:kjf:jf

LFB:.....Rushmer - Sales and use tax exemption for clay pigeons
FOR 2007-09 BUDGET -- NOT READY FOR INTRODUCTION
ASSEMBLY AMENDMENT ,
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2007 SENATE BILL 40

- 1 At the locations indicated, amend the substitute amendment as follows:
- 2 **1.** Page 1140, line 8: delete "and 2."
- 3 **2.** Page 1140, line 8: delete "are" and substitute "is".
- 4 **3.** Page 1140, line 11: delete lines 11 to 14 and substitute:
- 5 "SECTION 2410d. 77.54 (47) (b) 2. of the statutes is amended to read:
- 6 77.54 (47) (b) 2. The shooting facility is a nonprofit organization that charges
- 7 for shooting at the facility, but is not required to pay the tax imposed under s. 77.52
- 8 on its gross receipts from such charges because the charges are for occasional sales,
- 9 as provided under sub. (7m), or because the charges satisfy the exemption under s.
- 10 77.52 (2) (a) 2. b.

