

2013 DRAFTING REQUEST

Bill

Received: 7/10/2013 Received By: jkreye
Wanted: As time permits Same as LRB:
For: Michael Ellis (608) 266-0718 By/Representing: scott
May Contact: Drafter: jkreye
Subject: Tax, Other - sales Addl. Drafters:
Extra Copies:

Submit via email: YES
Requester's email: Sen.Ellis@legis.wisconsin.gov
Carbon copy (CC) to: joseph.kreye@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Sales and use tax exemption for aircraft parts and maintenance regardless of whether the buyer is in state

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>
/?	jkreye 7/10/2013	jdyer 7/10/2013	rschluet 7/10/2013	_____			
/P1	jkreye 7/10/2013			_____	srose 7/10/2013		State S&L Tax
/P2	jkreye	jdyer	jmurphy	_____	sbasford		State

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	7/12/2013	7/11/2013	7/11/2013	_____	7/11/2013		S&L Tax
/P3	jkreye 8/19/2013	jdyer 7/12/2013	jmurphy 7/12/2013	_____	srose 7/12/2013		State S&L Tax
/1	jkreye 9/11/2013	jdyer 8/20/2013	phenry 8/20/2013	_____	sbasford 8/20/2013		State S&L Tax
/2		jdyer 9/11/2013	phenry 9/11/2013	_____	lparisi 9/11/2013	srose 9/23/2013	State S&L Tax

FE Sent For:

<END>

At
Intro.

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/P1	jkreye 7/10/2013			_____	srose 7/10/2013		State S&L Tax
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Per JK (for senate)

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/P1	jkreye 7/10/2013	1/8/20 jld	Joseph km	_____	srose 7/10/2013		State S&L Tax
/P2	jkreye	jdyer	jmurphy	_____ bk	sbasford		State

<u>Vers.</u>	<u>Drafted</u> 7/12/2013	<u>Reviewed</u> 7/11/2013	<u>Typed</u> 7/11/2013	<u>Proofed</u> _____	<u>Submitted</u> 7/11/2013	<u>Jacketed</u>	<u>Required</u> S&L Tax
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Vers. Drafted

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7/11/2013

Proofed

Submitted
7/11/2013

Jacketed

Required
S&L
Tax

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/?	jkreye	PI 7/10 jld AB		==			

FE Sent For:

<END>

7-10-13

Scott Kelley

6-0718

Sen Ellis

— aircraft repair services

& parts — reduced

use taxes

extend the current exemptions

to all aircraft

(77.54(5)(a))



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-1840/P1
JK/jld/jm

2659/P1 keep

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

in 7-10-13

D-N

SOON

X

Regen

1 AN ACT to amend 77.54 (5) (a) of the statutes; relating to: the sales and use tax
2 exemption for aircraft, motor vehicles, and truck bodies.

Analysis by the Legislative Reference Bureau

Under current law, the sale of aircraft, including accessories, attachments, fuel, and parts, is exempt from the sales and use tax if the aircraft is sold to a person who uses the aircraft as a certified or licensed carrier in interstate or foreign commerce or sold to and used by a foreign government. Also, under current law, the sales of aircraft, motor vehicles, or truck bodies are exempt from the sales and use tax, if the aircraft, motor vehicles, or truck bodies are sold to persons who are not state residents and the aircraft, motor vehicles, or trucks for which the truck bodies were made are removed from this state.

Under this bill, the sales of aircraft, including accessories, attachments, fuel, and parts for aircraft, are exempt from the sales and use tax, regardless of whether the buyer is a state resident and regardless of how the aircraft is used.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the 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:

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

date

PI
LRB-2659/Adn

JK:.....

↑
jld

Senator Ellis:

Please review this draft carefully to ensure that it is consistent with your intent. ✓

Joseph T. Kreye
Senior Legislative Attorney
Phone: (608) 266-2263
E-mail: joseph.kreye@legis.wisconsin.gov

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2659/P1dn
JK:jld:rs

July 10, 2013

Senator Ellis:

Please review this draft carefully to ensure that it is consistent with your intent.

Joseph T. Kreye
Senior Legislative Attorney
Phone: (608) 266-2263
E-mail: joseph.kreye@legis.wisconsin.gov



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-2659/P1
JK:jld:rs

RMR

P2

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

in 7-10-13
D-N

✓

re gen

✓
Exempt A

1 AN ACT to amend 77.54 (5) (a) of the statutes; relating to: the sales and use tax
2 exemption for aircraft. ✓

Analysis by the Legislative Reference Bureau

Under current law, the sale of aircraft, including accessories, attachments, fuel, and parts, is exempt from the sales and use tax if the aircraft is sold to a person who uses the aircraft as a certified or licensed carrier in interstate or foreign commerce or sold to and used by a foreign government. Also, under current law, the sales of aircraft, motor vehicles, or truck bodies are exempt from the sales and use tax, if the aircraft, motor vehicles, or truck bodies are sold to persons who are not state residents and the aircraft, motor vehicles, or trucks for which the truck bodies were made are removed from this state. ✓

Under this bill, the sales of aircraft, including accessories, attachments, fuel, and parts for aircraft, are exempt from the sales and use tax, regardless of whether the buyer is a state resident and regardless of how the aircraft is used.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the 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:

✓
is
Exempt B

is is

sale

Insert A

mt 9T

Repair and maintenance services performed on all such aircraft are also exempt from the sales and use tax. ✓

Insert B

¶ This bill exempts the sale of aircraft parts ✓ from the sales and use tax, regardless of how the aircraft is used. In addition, the bill exempts the repair and maintenance of all aircraft from the sales and use tax.

Insert 2 - 10

✓

1 **SECTION 1.** 77.52 (2) (a) 10. of the statutes is amended to read:
2 77.52 (2) (a) 10. Except for services provided by veterinarians and except for
3 installing or applying tangible personal property, or items or goods under sub. (1) (b)
4 or (d), that, subject to par. (ag), when installed or applied, will constitute an addition
5 or capital improvement of real property, the repair, service, alteration, fitting,
6 cleaning, painting, coating, towing, inspection, and maintenance of all items of
7 tangible personal property, not including any aircraft, ✓ or items, property, or goods
8 under sub. (1) (b), (c), or (d), unless, at the time of that repair, service, alteration,
9 fitting, cleaning, painting, coating, towing, inspection, or maintenance, a sale in this
10 state of the type of property, item, or good repaired, serviced, altered, fitted, cleaned,
11 painted, coated, towed, inspected, or maintained would have been exempt to the
12 customer from sales taxation under this subchapter, other than the exempt sale of
13 a motor vehicle or truck body to a nonresident under s. 77.54 (5) (a) and other than
14 nontaxable sales under s. 77.522 or unless the repair, service, alteration, fitting,
15 cleaning, painting, coating, towing, inspection, or maintenance is provided under a
16 contract that is subject to tax under subd. 13m. The tax imposed under this
17 subsection applies to the repair, service, alteration, fitting, cleaning, painting,
18 coating, towing, inspection, or maintenance of items listed in par. (ag), regardless of



1 whether the installation or application of tangible personal property or items,
 2 property, or goods under sub. (1) (b), (c), or (d) related to the items is an addition to
 3 or a capital improvement of real property, except that the tax imposed under this
 4 subsection does not apply to the original installation or the complete replacement of
 5 an item listed in par. (ag), if that installation or replacement is a real property
 6 construction activity under s. 77.51 (2).

History: 1973 c. 156; 1975 c. 39; 1977 c. 29, 142, 418; 1979 c. 174, 221; 1981 c. 20, 317; 1983 a. 2, 27; 1983 a. 189 ss. 99, 103, 107, 329 (12); 1983 a. 341, 510, 544; 1985 a. 29, 149; 1987 a. 27, 399; 1989 a. 31, 335; 1991 a. 39, 316; 1993 a. 12, 213, 308, 437; 1995 a. 27, 225, 351; 1997 a. 27, 237, 291; 1999 a. 9, 83; 1999 a. 150 s. 672; 2001 a. 16, 104, 109; 2003 a. 33, 321; 2005 a. 149, 327, 344; 2007 a. 11, 20, 42, 97; 2009 a. 2, 12, 28, 330; 2011 a. 18, 32.

7 **SECTION 2.** 77.54 (5) (a) of the statutes is amended to read:

8 77.54 (5) (a) Aircraft, including accessories, attachments, fuel and parts
 9 therefor, sold to persons using such aircraft as certified or licensed carriers of persons
 10 or property in interstate or foreign commerce under authority of the laws of the
 11 United States or any foreign government, or sold to any foreign government for use
 12 by such government outside this state, all aircraft parts, and aircraft, motor vehicles
 13 or truck bodies sold to persons who are not residents of this state and who will not
 14 use such aircraft, motor vehicles or trucks for which the truck bodies were made in
 15 this state otherwise than in the removal of such aircraft, motor vehicles or trucks
 16 from this state.

History: 1971 c. 64, 154, 215, 311; 1973 c. 90, 156, 240; 1975 c. 39, 96, 102, 146, 200; 1977 c. 29; 1977 c. 83 ss. 13, 26; 1977 c. 250, 368, 418; 1979 c. 1, 34, 87, 174; 1981 c. 20; 1981 c. 79 s. 18; 1981 c. 96 s. 67; 1981 c. 264; 1981 c. 282 s. 47; 1981 c. 317; 1983 a. 27 ss. 1284d to 1284np, 2202 (38); 1983 a. 189 ss. 101, 106, 329 (5), (12), (13); 1983 a. 192, 287, 405, 426, 498, 510, 538, 544; 1985 a. 29, 149, 332; 1987 a. 27; 1987 a. 312 s. 17; 1987 a. 399; 1989 a. 31, 238, 270, 335, 359; 1991 a. 37, 39, 269, 316; 1993 a. 16, 263, 332; 1995 a. 27, 125, 225, 227; 1997 a. 27, 35, 41, 184, 237, 291; 1999 a. 9, 65, 83; 1999 a. 150 s. 672; 1999 a. 167; 2001 a. 16, 103, 109; 2003 a. 99, 128; 2005 a. 25, 74, 141, 149, 335, 366, 479; 2007 a. 11, 19, 20, 97, 130; 2009 a. 2, 28, 185, 204, 330; 2011 a. 7, 10, 32, 208, 260.

(end of insert 2-10)

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2659/P2dn
JK:jld:rs

date

Senator Ellis:

Please review this draft carefully to ensure that it is consistent with your intent.

Joseph T. Kreye
Senior Legislative Attorney
Phone: (608) 266-2263
E-mail: joseph.kreye@legis.wisconsin.gov

DRAFTER'S NOTE
FROM THE
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LRB-2659/P2dn
JK:jld:jm

July 11, 2013

Senator Ellis:

Please review this draft carefully to ensure that it is consistent with your intent.

Joseph T. Kreye
Senior Legislative Attorney
Phone: (608) 266-2263
E-mail: joseph.kreye@legis.wisconsin.gov



Handwritten initials: R, KMR

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

Handwritten notes: m 7-12-13, SOON

Handwritten note: PWP 7/12 Jim

Handwritten mark: H

Handwritten name: Regen

1 AN ACT *to amend* 77.52 (2) (a) 10. and 77.54 (5) (a) of the statutes; **relating to:**
2 the sales and use tax exemption for aircraft.

Analysis by the Legislative Reference Bureau

Under current law, the sale of aircraft, including accessories, attachments, fuel, and parts, is exempt from the sales and use tax if the aircraft is sold to a person who uses the aircraft as a certified or licensed carrier in interstate or foreign commerce or sold to and used by a foreign government. Also, under current law, the sale of aircraft is exempt from the sales and use tax, if the aircraft is sold to persons who are not state residents and the aircraft is removed from this state. Repair and maintenance services performed on all such aircraft are also exempt from the sales and use tax.

This bill exempts the sale of aircraft parts from the sales and use tax, regardless of how the aircraft is used. In addition, the bill exempts the repair and maintenance of all aircraft from the sales and use tax.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the 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:

1 **SECTION 1.** 77.52 (2) (a) 10. of the statutes is amended to read:

2 77.52 (2) (a) 10. Except for services provided by veterinarians, and except for
 3 installing or applying tangible personal property, or items or goods under sub. (1) (b)
 4 or (d), that, subject to par. (ag), when installed or applied, will constitute an addition
 5 or capital improvement of real property, ^{strike comma} the repair, service, alteration, fitting,
 6 cleaning, painting, coating, towing, inspection, and maintenance of all items of
 7 tangible personal property, not including any aircraft, or items, property, or goods
 8 under sub. (1) (b), (c), or (d), unless, at the time of that repair, service, alteration,
 9 fitting, cleaning, painting, coating, towing, inspection, or maintenance, a sale in this
 10 state of the type of property, item, or good repaired, serviced, altered, fitted, cleaned,
 11 painted, coated, towed, inspected, or maintained would have been exempt to the
 12 customer from sales taxation under this subchapter, other than the exempt sale of
 13 a motor vehicle or truck body to a nonresident under s. 77.54 (5) (a) and other than
 14 nontaxable sales under s. 77.522 or unless the repair, service, alteration, fitting,
 15 cleaning, painting, coating, towing, inspection, or maintenance is provided under a
 16 contract that is subject to tax under subd. 13m. The tax imposed under this
 17 subsection applies to the repair, service, alteration, fitting, cleaning, painting,
 18 coating, towing, inspection, or maintenance of items listed in par. (ag), regardless of
 19 whether the installation or application of tangible personal property or items,
 20 property, or goods under sub. (1) (b), (c), or (d) related to the items is an addition to
 21 or a capital improvement of real property, except that the tax imposed under this
 22 subsection does not apply to the original installation or the complete replacement of
 23 an item listed in par. (ag), if that installation or replacement is a real property
 24 construction activity under s. 77.51 (2).

25 **SECTION 2.** 77.54 (5) (a) of the statutes is amended to read:

*for the repair, service, alteration, fitting, cleaning, painting, coating,
 towing, inspection, and maintenance of any aircraft; except*



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-2659/PB
JK:jld:jm

9
2013 BILL

RMR

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

in 8-19-13
due thru 8-22

✓ Regen

1 AN ACT *to amend* 77.52 (2) (a) 10. and 77.54 (5) (a) of the statutes; relating to:
2 the sales and use tax exemption for aircraft.

Analysis by the Legislative Reference Bureau

Under current law, the sale of aircraft, including accessories, attachments, fuel, and parts, is exempt from the sales and use tax if the aircraft is sold to a person who uses the aircraft as a certified or licensed carrier in interstate or foreign commerce or sold to and used by a foreign government. Also, under current law, the sale of aircraft is exempt from the sales and use tax, if the aircraft is sold to persons who are not state residents and the aircraft is removed from this state. Repair and maintenance services performed on all such aircraft are also exempt from the sales and use tax.

This bill exempts the sale of aircraft parts from the sales and use tax, regardless of how the aircraft is used. In addition, the bill exempts the repair and maintenance of all aircraft from the sales and use tax.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the 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:

and aircraft parts ✓

or aircraft parts

1 SECTION 1. 77.52 (2) (a) 10. of the statutes is amended to read:

2 77.52 (2) (a) 10. Except for the repair, service, alteration, fitting, cleaning,

3 painting, coating, towing, inspection, and maintenance of any aircraft; except for

4 services provided by veterinarians; and except for installing or applying tangible

5 personal property, or items or goods under sub. (1) (b) or (d), that, subject to par. (ag),

6 when installed or applied, will constitute an addition or capital improvement of real

7 property; the repair, service, alteration, fitting, cleaning, painting, coating, towing,

8 inspection, and maintenance of all items of tangible personal property or items,

9 property, or goods under sub. (1) (b), (c), or (d), unless, at the time of that repair,

10 service, alteration, fitting, cleaning, painting, coating, towing, inspection, or

11 maintenance, a sale in this state of the type of property, item, or good repaired,

12 serviced, altered, fitted, cleaned, painted, coated, towed, inspected, or maintained

13 would have been exempt to the customer from sales taxation under this subchapter,

14 other than the exempt sale of a motor vehicle or truck body to a nonresident under

15 s. 77.54 (5) (a) and other than nontaxable sales under s. 77.522 or unless the repair,

16 service, alteration, fitting, cleaning, painting, coating, towing, inspection, or

17 maintenance is provided under a contract that is subject to tax under subd. 13m. The

18 tax imposed under this subsection applies to the repair, service, alteration, fitting,

19 cleaning, painting, coating, towing, inspection, or maintenance of items listed in par.

20 (ag), regardless of whether the installation or application of tangible personal

21 property or items, property, or goods under sub. (1) (b), (c), or (d) related to the items

22 is an addition to or a capital improvement of real property, except that the tax

23 imposed under this subsection does not apply to the original installation or the

24 complete replacement of an item listed in par. (ag), if that installation or replacement

25 is a real property construction activity under s. 77.51 (2).

1 SECTION 2. 77.54 (5) (a) of the statutes is amended to read:

2 77.54 (5) (a) Aircraft, including accessories, attachments, fuel and parts
 3 therefor, sold to persons using such aircraft as certified or licensed carriers of persons
 4 or property in interstate or foreign commerce under authority of the laws of the
 5 United States or any foreign government, or sold to any foreign government for use
 6 by such government outside this state, all aircraft parts, and aircraft, motor vehicles
 7 or truck bodies sold to persons who are not residents of this state and who will not
 8 use such [✓]aircraft, motor vehicles or trucks for which the truck bodies were made in
 9 this state otherwise than in the removal of such [✓]aircraft, motor vehicles or trucks
 10 from this state.

11 SECTION 3. Effective date.

12 (1) This act takes effect on first day of the 3rd month beginning after
13 publication.

14 (END)

who will not
have this state as the aircraft's state of registration,
as filed with the [✓]federal aviation administration
or its foreign equivalent, or

Kreye, Joseph

From: Kelly, Scott
Sent: Wednesday, September 11, 2013 11:18 AM
To: Kreye, Joseph
Subject: FW: Revised Airplane Maintenance Bill

Joe –

Can you please provide a /2 on LRB 2659 as described below?

In addition, I talked to Marc Shovers while you were gone to get the relating clause narrowed. He told me he made that change.

Scott

From: Wagner, Michael W - DOR [<mailto:MichaelW.Wagner@revenue.wi.gov>]
Sent: Tuesday, September 10, 2013 4:30 PM
To: Kelly, Scott
Subject: RE: Revised Airplane Maintenance Bill

Repeal and recreate sec. 77.54(5)(a), Stats., to read as follows:

77.54 (5) (a) 1. Aircraft, including accessories, attachments, and fuel and parts therefor, sold to persons using such aircraft as certified or licensed carriers of persons or property in interstate or foreign commerce under authority of the laws of the United States or any foreign government, or sold to any foreign government for use by such government outside this state.

2. Aircraft, including attachments therefor, sold to persons who are not residents of this state and who will not use such aircraft in this state otherwise than in the removal of such aircraft from this state or in the repair, service, alteration, fitting, cleaning, painting, coating, towing, inspection and maintenance of such aircraft in this state.

3. Parts used to modify or repair aircraft.

4. Motor vehicles or truck bodies sold to persons who are not residents of this state and who will not use such motor vehicles or trucks for which the truck bodies were made in this state otherwise than in the removal of such motor vehicles or trucks from this state.

Amend sec. 77.52(13) to read as follows:

".....no certificate is required for the sale of tangible personal property, or items, or property, or goods under sub. (1) (b), (c), or (d), or services that are exempt under s. 77.54 (5)(a)3., (7), (7m), (8), (10),....."



RMR

2013 BILL

in 9-11-13

due Friday 9-13

re you

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AN ACT to amend 77.52 (2) (a) 10. and 77.54 (5) (a) of the statutes; relating to:
the sales and use tax exemption for aircraft.

parts, maintenance, and labor

Analysis by the Legislative Reference Bureau

Under current law, the sale of aircraft, including accessories, attachments, fuel, and parts, is exempt from the sales and use tax if the aircraft is sold to a person who uses the aircraft as a certified or licensed carrier in interstate or foreign commerce or sold to and used by a foreign government. Also, under current law, the sale of aircraft is exempt from the sales and use tax, if the aircraft is sold to persons who are not state residents and the aircraft is removed from this state. Repair and maintenance services performed on all such aircraft are also exempt from the sales and use tax.

This bill exempts the sale of aircraft parts from the sales and use tax, regardless of how the aircraft is used. In addition, the bill exempts the repair and maintenance of all aircraft and aircraft parts from the sales and use tax.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the 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:

BILL

1 SECTION 1. 77.52 (2) (a) 10. of the statutes is amended to read:

2 77.52 (2) (a) 10. Except for the repair, service, alteration, fitting, cleaning,
3 painting, coating, towing, inspection, and maintenance of any aircraft or aircraft
4 parts; except for services provided by veterinarians; and except for installing or
5 applying tangible personal property, or items or goods under sub. (1) (b) or (d), that,
6 subject to par. (ag), when installed or applied, will constitute an addition or capital
7 improvement of real property; the repair, service, alteration, fitting, cleaning,
8 painting, coating, towing, inspection, and maintenance of all items of tangible
9 personal property or items, property, or goods under sub. (1) (b), (c), or (d), unless, at
10 the time of that repair, service, alteration, fitting, cleaning, painting, coating,
11 towing, inspection, or maintenance, a sale in this state of the type of property, item,
12 or good repaired, serviced, altered, fitted, cleaned, painted, coated, towed, inspected,
13 or maintained would have been exempt to the customer from sales taxation under
14 this subchapter, other than the exempt sale of a motor vehicle or truck body to a
15 nonresident under s. 77.54 (5) (a) and other than nontaxable sales under s. 77.522
16 or unless the repair, service, alteration, fitting, cleaning, painting, coating, towing,
17 inspection, or maintenance is provided under a contract that is subject to tax under
18 subd. 13m. The tax imposed under this subsection applies to the repair, service,
19 alteration, fitting, cleaning, painting, coating, towing, inspection, or maintenance of
20 items listed in par. (ag), regardless of whether the installation or application of
21 tangible personal property or items, property, or goods under sub. (1) (b), (c), or (d)
22 related to the items is an addition to or a capital improvement of real property, except
23 that the tax imposed under this subsection does not apply to the original installation
24 or the complete replacement of an item listed in par. (ag), if that installation or
25 replacement is a real property construction activity under s. 77.51 (2).

BILL

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SECTION 2. 77.54 (5) (a) of the statutes is amended to read:
77.54 (5) (a) Aircraft, including accessories, attachments, fuel and parts therefor, sold to persons using such aircraft as certified or licensed carriers of persons or property in interstate or foreign commerce under authority of the laws of the United States or any foreign government, or sold to any foreign government for use by such government outside this state, all aircraft parts, and aircraft, motor vehicles or truck bodies sold to persons who are not residents of this state and who will not have this state as the aircraft's state of registration, as filed with the federal aviation administration or its foreign equivalent, or who will not use such aircraft, motor vehicles or trucks for which the truck bodies were made in this state otherwise than in the removal of such aircraft, motor vehicles or trucks from this state.

SECTION 3. Effective date.

(1) This act takes effect on first day of the 3rd month beginning after publication.

(END)

Insert 3-11

2013-2014 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2659/2ins
JK:jld:ph

Insert 3 - 11

1 **SECTION 1.** 77.52 (13)^x of the statutes is amended to read:

2 **77.52 (13)** For the purpose of the proper administration of this section and to
3 prevent evasion of the sales tax it shall be presumed that all receipts are subject to
4 the tax until the contrary is established. The burden of proving that a sale of tangible
5 personal property, or items, property, or goods under sub. (1) (b), (c), or (d), or services
6 is not a taxable sale at retail is upon the person who makes the sale unless that
7 person takes from the purchaser an electronic or a paper certificate, in a manner
8 prescribed by the department, to the effect that the property, item, good, or service
9 is purchased for resale or is otherwise exempt, except that no certificate is required
10 for the sale of tangible personal property, or items, property, or goods under sub. (1)
11 (b), (c), or (d), or services that are exempt under s. 77.54 (5) (a) 3,[✓] (7), (7m), (8), (10),
12 (11), (14), (15), (17), (20n), (21), (22b), (31), (32), (35), (36), (37), (42), (44), (45), (46),
13 (51), and (52).

History: 1973 c. 156; 1975 c. 39; 1977 c. 29, 142, 418; 1979 c. 174, 221; 1981 c. 20, 317; 1983 a. 2, 27; 1983 a. 189 ss. 99, 103, 107, 329 (12); 1983 a. 341, 510, 544; 1985 a. 29, 149; 1987 a. 27, 399; 1989 a. 31, 335; 1991 a. 39, 316; 1993 a. 12, 213, 308, 437; 1995 a. 27, 225, 351; 1997 a. 27, 237, 291; 1999 a. 9, 83; 1999 a. 150 s. 672; 2001 a. 16, 104, 109; 2003 a. 33, 321; 2005 a. 149, 327, 344; 2007 a. 11, 20, 42, 97; 2009 a. 2, 12, 28, 330; 2011 a. 18, 32; 2013 a. 20.

14 **SECTION 2.** 77.54 (5) (a) of the statutes is repealed and recreated to read:

15 **77.54 (5) (a) 1.** Aircraft, including accessories, attachments, and fuel for such
16 aircraft, sold to persons using the aircraft as certified or licensed carriers of persons
17 or property in interstate or foreign commerce under authority of the laws of the
18 United States or any foreign government, or sold to any foreign government for use
19 by such government outside this state.[✓]

20 **2.** Aircraft, including attachments for such aircraft, sold to persons who are not
21 residents of this state[✓] and who will not use such aircraft in this state otherwise than
22 in the removal of such aircraft from this state or in the repair, service, alteration,



1 fitting, cleaning, painting, coating, towing, inspection, and maintenance of such
2 aircraft in this state.✓

3 3. Parts used to modify or repair aircraft.✓

4 4. Motor vehicles or truck bodies sold to persons who are not residents of this
5 state and who will not use such motor vehicles or trucks for which the truck bodies
6 were made in this state otherwise than in the removal of such motor vehicles or
7 trucks from this state.✓

end of
(ins 3-11)