



WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

2017 Wisconsin Act 17
[2017 Senate Bill 89]

**Changes to Laws Administered
by the Department of Revenue**

2017 Wisconsin Act 17 makes a number of changes to laws administered by the Department of Revenue (DOR), at the request of DOR. The changes are summarized by subject area below.

TAX ADMINISTRATION AND UNCLAIMED PROPERTY

The Act:

- Creates a sales and use tax exemption for patient health care records.
- Prohibits DOR from acting on any claim for a refund or adjustment of county sales tax after the end of the year that is four years after the year in which the county enacts an ordinance to repeal the tax.
- Redefines “active foreign business income.”
- Modifies the law regarding the filing of informational returns for the payment of wages, salaries, commissions, bonuses, and rent to provide that the same provisions that apply to individuals and corporations apply to tax-options corporations.
- Defines “investment” as amounts paid to acquire stock or other ownership interest in a partnership, corporation, tax-option corporation, or limited liability company treated as a partnership or corporation, for the purpose of claiming a capital gains income tax deferral or exclusion based on investments in a qualified business.
- Requires DOR to publish a list of persons on its internet site who hold valid permits for the sale of cigarettes, tobacco products, and fermented malt beverages.
- Makes a number of technical changes related to areas of DOR taxation authority.

This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature’s Web site at: <http://www.legis.wisconsin.gov>.

- Relieves DOR of the requirement to pay interest to the person who receives an unclaimed U.S. savings bond.

POLICE AND FIRE PROTECTION FEE AND ALCOHOL REGULATION

The Act:

- Permits the Public Service Commission to contract with DOR to administer the collection of the police and fire protection fee for each phone line connection and to ensure compliance with the fee.
- Modifies the definition of restaurant for the purposes of alcohol regulation to mean any place where meals are prepared or served or sold to transients or the general public even if it is not the predominant activity at the location.

LOTTERY REGULATION

The Act:

- Prohibits the operation of a ticket courier service in order to sell Wisconsin Lottery tickets.
- Requires DOR, in conjunction with the Department of Justice (DOJ), to repeat background investigations for lottery employees, the lottery administrator, and lottery vendors and their associates.
- Permits DOR, with DOJ, to conduct initial background investigations, and to repeat the investigations every five years, of any person who may have access to secured areas and any person who may come into contact with sensitive information associated with the lottery.
- Reduces the amount of lottery prize winnings that must be reported for the purposes of determining whether the winner owes taxes or delinquent child support from \$1,000 to \$600.

Effective date: Generally, June 23, 2017, with certain provisions taking effect retroactively on January 1, 2017, and September 1, 2017, and prospectively, on January 1, 2018.

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