



**WISCONSIN LEGISLATIVE COUNCIL
AMENDMENT MEMO**

2017 Senate Bill 89	Senate Amendment 1
<i>Memo published: May 4, 2017</i>	
<i>Contact: Dan Schmidt, Principal Analyst</i>	

2017 SENATE BILL 89

Senate Bill 89 makes a number of changes to laws administered by the Department of Revenue (DOR) relating to tax administration, the police and fire protection fee, defining restaurant for purposes of alcohol beverage regulation, lottery ticket couriers, and background investigations of persons associated with the lottery. The bill was requested by DOR for the purposes of administrative clarifications and DOR indicated that its provisions reflect current interpretations by DOR.

SENATE AMENDMENT 1

The two provisions relevant to Senate Amendment 1 include that tangible personal property transferred by a service provider in conjunction with the sale of a service is not considered incidental to the sale if the seller charges a separate and optional fee for the transferred property and the sales and use tax exemption for fuel and electricity consumed in manufacturing applies only to fuel and electricity consumed directly in manufacturing. The amendment eliminates both of these provisions from the proposed bill. The effect of the elimination of these provisions is unclear as these provisions, as noted above, reflect the current policy interpretations of DOR.

BILL HISTORY

Senate Amendment 1 was recommended for adoption by the Senate Committee on Revenue, Financial Institutions and Rural Issues by a vote of Ayes, 3; Noes, 2. Senate Bill 89 was recommended for passage, as amended, by the Senate Committee on Revenue, Financial Institutions and Rural Issues by a vote of Ayes, 4; Noes, 1. The committee voted to make these recommendations on May 3, 2017.

DWS:ksm