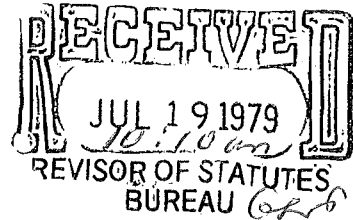


Tax 11.05, 19

CERTIFICATE OF RULE ADOPTION

STATE OF WISCONSIN)
DEPARTMENT OF REVENUE)



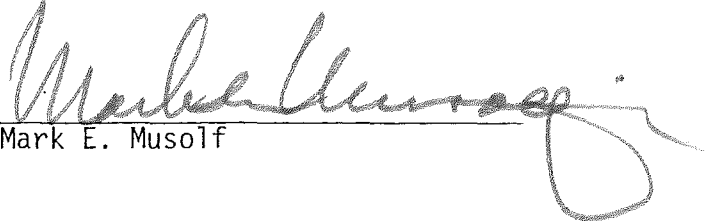
TO ALL WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Mark E. Musolf, Secretary of the Department of Revenue and custodian of the official records of said Department, do hereby certify that the annexed rules were duly approved and adopted by this Department on July 18, 1979. These rules relate to the following:

- 1) Governmental units (sales and use tax).
- 2) Printed material exemptions (sales and use tax).

I further certify that said copy has been compared by me with the original on file in this Department and that the same is a true copy thereof and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand at 201 East Washington Avenue in the city of Madison, this 18th day of July, 1979.


Mark E. Musolf

ORDER OF THE DEPARTMENT OF REVENUE ADOPTING RULES

Pursuant to the authority vested in the Department of Revenue by s. 227.014(2), Wis. Stats., the Department hereby adopts and amends the following rules as shown on the attached copy:

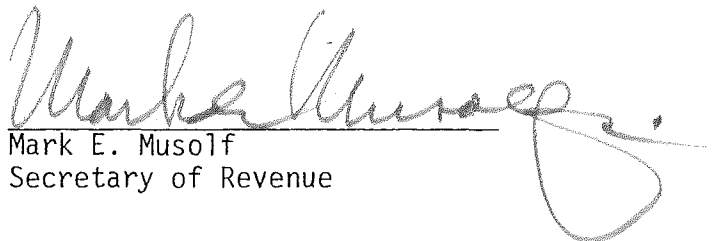
- 1) Section Tax 11.05(3)(f) and (h) and (4)(c) and (e),
"Governmental units".
- 2) Section Tax 11.19, "Printed material exemptions".

The rules contained herein shall take effect on September 1, 1979.

Dated this 18th day of July, 1979.

DEPARTMENT OF REVENUE

BY:



Mark E. Musolf
Secretary of Revenue

GOVERNMENTAL UNITS

SECTION 1. Section Tax 11.05(3)(f) and (h) and (4)(c) of the Wis. Admin. Code are amended to read:

Tax 11.05(3)(f). Library fines, including charges for books that are not returned or charges for a duplicate library card when no charge is made for the original card.

Tax 11.05(3)(h). Separately stated fees for instruction ~~but not any amount reasonably allocable to the use of a facility for recreational purposes.~~

Tax 11.05(4)(c). Purchases by ~~federal and~~ state chartered credit unions are subject to the sales tax. ~~The use tax shall apply to state chartered credit unions, but not to federally chartered credit unions due to constitutional restrictions.~~ Purchases by federally chartered credit unions and federal reserve banks are not subject to the tax.

SECTION 2. Section Tax 11.05(4)(e) of the Wis. Admin. Code is adopted to read:

Tax 11.05(4)(e). Purchases by consular and diplomatic personnel of other countries which have entered into multilateral treaties with the United States government providing for sales and use tax exemptions.

PRINTED MATERIAL EXEMPTIONS

SECTION 1. Section Tax 11.19 of the Wis. Adm. Code is adopted to read:

Tax 11.19 Printed material exemptions. (Sections 77.52(2)(a)11, 77.54(9a), (15) and (25) and 77.55(1), Wis. Stats.) (1) GENERAL. All retail sales of tangible personal property, including printed material, are subject to the tax, except when a specific exemption applies to the transaction. This rule describes exemptions which commonly apply to sales of printed material.

(2) STATUTES. (a) Section 77.52(2)(a)11 imposes the sales and use tax on certain services. However, an exemption (effective March 15, 1970) is provided for the printing or imprinting of tangible personal property furnished by consumers, which property will be subsequently transported outside the state for use outside the state by the consumer for advertising purposes.

(b) Section 77.54(15) provides an exemption for newspapers and periodicals (effective September 1, 1969) and shoppers guides (effective July 1, 1978).

(c) Section 77.54(25) (effective May 21, 1972) provides an exemption for printed material which is designed to advertise and promote the sale of merchandise, or to advertise the services of individual business firms, which printed material is purchased and stored for the purpose of subsequently transporting it outside the state by the purchaser for use thereafter solely outside the state.

(3) NEWSPAPERS AND PERIODICALS DEFINED. (a) The exemption for "newspapers" applies to those publications which are commonly understood to be newspapers and which are printed and distributed periodically at daily, weekly or other short intervals for the dissemination of current news and information of a general character and of a general interest to the public. In addition, any publication which qualifies as a newspaper under s. 985.03(1), Wis. Stats., qualifies for the sales tax exemption. Advertising supplements are not subject to the tax if they are:

1. Printed by a newspaper and distributed as a component part of one of that newspaper's publications.

2. Printed by a newspaper or a commercial printer and sold to a newspaper for inclusion in publications of that newspaper.

(b) A "newspaper" does not include handbills, circulars, flyers, or the like, advertising supplements not described in par. (a) which are distributed with a newspaper, nor any publication which is issued to supply information on certain subjects of interest to particular groups, unless such publication otherwise qualifies as a newspaper within par. (a). Advertising is not considered news of a general character and of a general interest.

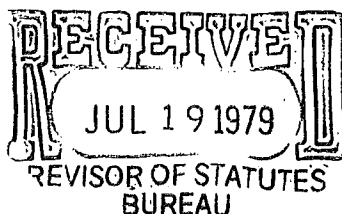


State of Wisconsin \ DEPARTMENT OF REVENUE

Lee Sherman Dreyfus
Governor

Mark E. Musolf
Secretary

July 18, 1979



201 EAST WASHINGTON AVENUE
MADISON, WISCONSIN 53702

Vel R. Phillips
Secretary of State
13 West, Capitol Building
Madison, WI 53702

Mr. Orlan L. Prestegard
Revisor of Statutes
411 West, Capitol Building
Madison, WI 53702

Dear Ms. Phillips and Mr. Prestegard:

Enclosed is a certified copy of two administrative rules adopted by the Department of Revenue, a "Certificate of Rule Adoption" and an "Order of the Department of Revenue Adopting Rules". These rules are to take effect September 1, 1979.

These materials are filed with you pursuant to s. 227.023(1), Wis. Stats.

Sincerely,


Mark E. Musolf
Secretary of Revenue

MEM:ebm

Enclosures

cc: Prentice-Hall, Inc.
Commerce Clearing House, Inc.