



1999 ASSEMBLY BILL 390

June 24, 1999 – Introduced by Representatives M. LEHMAN and WOOD, by request of Department of Revenue. Referred to Committee on Ways and Means.

1 **AN ACT to amend** 77.51 (20) of the statutes; **relating to:** the definition of tangible
2 personal property that is subject to a sales or use tax.

Analysis by the Legislative Reference Bureau

Under current law, the state generally imposes a sales tax on all retailers at the rate of 5% of the gross receipts from the sale of tangible personal property. The state also generally imposes a use tax on all consumers, at the rate of 5% of the sales price, for the consumption, use or storage of tangible personal property in this state that the consumer purchases from out-of-state retailers.

This bill clarifies the current law by specifying that tangible personal property, which is subject to a sales or use tax, includes books, videotapes, newspapers, magazines, video game cartridges, audiotapes, compact disks, laser disks, photocopies, artwork, and data, information or intellectual property transferred in a tangible form.

For further information see the *state* 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:

3 **SECTION 1.** 77.51 (20) of the statutes is amended to read:
4 77.51 (20) “Tangible personal property” means all tangible personal property
5 of every kind and description and includes electricity, natural gas, steam and water

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1 and also leased property affixed to realty if the lessor has the right to remove the
2 property upon breach or termination of the lease agreement, unless the lessor of the
3 property is also the lessor of the realty to which the property is affixed. "Tangible
4 personal property" also includes coins and stamps of the United States sold or traded
5 as collectors' items above their face value; data, information or intellectual property
6 transferred in tangible forms, including books, videotapes, newspapers, magazines,
7 video game cartridges, audiotapes, compact disks, laser disks, photocopies and
8 artwork; and computer programs except custom computer programs.

9 (END)