



2013 SENATE BILL 89

March 20, 2013 - Introduced by Senators GUDEX, LEIBHAM and SCHULTZ, cosponsored by Representatives WEININGER, JACQUE, KLEEFISCH, HONADEL, BORN, KRUG and BERNIER. Referred to Committee on Workforce Development, Forestry, Mining, and Revenue.

- 1 **AN ACT to create** 77.54 (60) and 77.54 (61) of the statutes; **relating to:** sales tax
2 holidays in August and in November.

Analysis by the Legislative Reference Bureau

Under this bill, annually, for the two-day period beginning on the first Saturday in August and ending on the following Sunday, the sales of the following items are exempt from the sales tax and the use tax:

1. An item of clothing, not including clothing accessories, if the sales price of any single item is no more than \$75.
2. A computer purchased by the consumer for the consumer's personal use, if the sales price of the computer is no more than \$2,000.
3. School computer supplies, if the sales price of any single item is no more than \$250.
4. School instructional materials, if the sales price of any single item is no more than \$300.
5. School supplies, if the sales price of any single item is no more than \$75.

The bill also provides that, annually, for the two-day period beginning on the first Saturday in November and ending on the following Sunday, the sales of Energy Star products purchased by a consumer for the consumer's personal use are exempt from the sales tax and the use tax.

The bill provides, however, that the exemptions for August and November do not apply in any year in which the Department of Revenue determines, by May 1, that the state's financial situation would make implementation of the exemptions imprudent.

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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.** 77.54 (60) of the statutes is created to read:

2 77.54 **(60)** (a) In this subsection:

3 1. "Clothing" means any wearing apparel for humans that is suitable for
4 general use, not including all of the following:

5 a. Belt buckles sold separately.

6 b. Costume masks sold separately.

7 c. Patches and emblems sold separately.

8 d. Sewing equipment and supplies, including knitting needles, patterns, pins,
9 scissors, sewing machines, sewing needles, tape measures, and thimbles.

10 e. Sewing materials that become part of clothing, including buttons, fabric,
11 lace, thread, yarn, and zippers.

12 2. "Clothing accessories or equipment" means incidental items worn on a
13 person or in conjunction with clothing, including all of the following:

14 a. Briefcases.

15 b. Cosmetics.

16 c. Hair notions, including barrettes, hair bows, and hair nets.

17 d. Handbags.

18 e. Handkerchiefs.

19 f. Jewelry.

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- 1 g. Nonprescription sunglasses.
 - 2 h. Umbrellas.
 - 3 i. Wallets.
 - 4 j. Watches.
 - 5 k. Wigs.
 - 6 L. Hair pieces.
- 7 3. "School computer supply" means any of the following items that are
- 8 commonly used by a student in a course of study in which a computer is used:
- 9 a. Computer storage media, diskettes, and compact discs.
 - 10 b. Handheld electronic schedulers, not including cellular phones.
 - 11 c. Personal digital assistants, not including cellular phones.
 - 12 d. Computer printers.
 - 13 e. Printer supplies for computers, printer paper, and printer ink.
- 14 4. "School instructional material" means any of the following that is commonly
- 15 used by a student in a course of study as a reference and to learn the subject being
- 16 taught:
- 17 a. Reference books.
 - 18 b. Reference maps and globes.
 - 19 c. Textbooks.
 - 20 d. Workbooks.
- 21 5. "School supply" means any of the following items that are commonly used
- 22 by a student in a course of study:
- 23 a. Binders.
 - 24 b. Book bags.
 - 25 c. Calculators.

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- 1 d. Cellophane tape.
- 2 e. Blackboard chalk.
- 3 f. Compasses.
- 4 g. Composition books.
- 5 h. Crayons.
- 6 i. Erasers.
- 7 j. Folders.
- 8 k. Glue, paste, and paste sticks.
- 9 L. Highlighters.
- 10 m. Index cards.
- 11 n. Index card boxes.
- 12 o. Legal pads.
- 13 p. Lunch boxes.
- 14 q. Markers.
- 15 r. Notebooks.
- 16 s. Loose-leaf ruled notebook paper, copy paper, graph paper, tracing paper,
17 manila paper, colored paper, poster board, and construction paper.
- 18 t. Pencil boxes and other school supply boxes.
- 19 u. Pencil sharpeners.
- 20 v. Pencils.
- 21 w. Pens.
- 22 x. Protractors.
- 23 y. Rulers.
- 24 z. Scissors.
- 25 za. Writing tablets.

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1 (b) Except as provided in par. (c), annually, beginning in August 2013, for the
2 2-day period beginning on the first Saturday in August and ending on the following
3 Sunday, the sales price from the sale of and the storage, use, or other consumption
4 of the following:

5 1. Clothing, not including clothing accessories or equipment, if the sales price
6 of any single item is no more than \$75.

7 2. A computer purchased by the consumer for the consumer's personal use, if
8 the sales price of the computer is no more than \$2,000.

9 3. School computer supplies purchased by the consumer for the consumer's
10 personal use, if the sales price of any single item is no more than \$250.

11 4. School instructional materials, if the sales price of any single item is no more
12 than \$300.

13 5. School supplies, if the sales price of any single item is no more than \$75.

14 (c) This subsection does not apply in any year in which the department
15 determines, no later than May 1, that the state's financial situation would make
16 implementation of this subsection imprudent.

17 **SECTION 2.** 77.54 (61) of the statutes is created to read:

18 77.54 **(61)** (a) In this subsection, "energy star qualified product" means a
19 product that meets the energy efficient guidelines set by the federal environmental
20 protection agency and the federal department of energy and is authorized by such
21 agencies to carry the Energy Star label.

22 (b) Except as provided in par. (c), annually, beginning in November 2013, for
23 the 2-day period beginning on the first Saturday in November and ending on the
24 following Sunday, the sales price from the sale of and the storage, use, or other

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SECTION 2

1 consumption of energy star qualified products that are purchased by the consumer
2 for the consumer's personal use.

3 (c) This subsection does not apply in any year in which the department
4 determines, no later than May 1, that the state's financial situation would make
5 implementation of this subsection imprudent.

6 (END)