

January 6, 2000 **EXECUTIVE SESSION**

Present: (8) Senators Decker, Breske and Cowles
 Representatives Hahn and Lehman
 Secretary of Revenue Cate Zeuske
 Mr. Alan Lee and Mr. Paul Vrakas.

Absent: (1) Representative Hebl.

Moved by Senator Decker, seconded by Senator Breske,
that **SENATE BILL 152** be recommended as good
public policy.

Ayes: (9) Senators Decker, Breske,
 and Cowles,
 Representatives Hahn,
 Lehman and Hebl
 (Polling), Secretary of
 Revenue Cate Zeuske,
 Mr. Alan Lee and Mr.
 Paul Vrakas.

Noes: (0) None.

Absent: (0) None.

**GOOD PUBLIC POLICY RECCOMMEDED, Ayes 9,
Noes 0, Absent 0**


Patrick Walsh
Committee Clerk

Senate

Committee Report

The joint committee on **Tax Exemptions**, reports and recommends:

Senate Bill 152

Relating to: the tax exemption for occasional sales.

By Senators A. Lasee, Huelsman and Drzewiecki; cosponsored by Representatives Grothman, Gronemus, Sykora and Powers.

GOOD PUBLIC POLICY RECOMMENDED, Ayes 9, Noes 0, Absent 1

Ayes (9) Senators Decker, Breske and Cowles
Representatives Hahn, Lehman and Hebl
(Polling), Secretary of Revenue Cate Zeuske
Mr. Alan Lee and Mr. Paul Vrakas.

Noes (0) None.

Absent (1) Representative Hebl

Senate Bill 276

Relating to: exempting from taxation a tax rebate for individuals.

By Senators Farrow, Ellis, Rude and Drzewiecki.

GOOD PUBLIC POLICY RECOMMENDED, Ayes 9, Noes 0, Absent 1

Ayes (9) Senators Decker, Breske and Cowles
Representatives Hahn, Lehman and Hebl
(Polling), Secretary of Revenue Cate Zeuske
Mr. Alan Lee and Mr. Paul Vrakas.

Noes (0) None.

Absent (1) Representative Hebl



Senator Russell Decker
Co-Chair

Senate

COMMITTEE HEARINGS

Joint survey committee on Tax Exemptions

The committee will hold a public hearing on the following items at the time specified below:

Thursday, January 6, 2000
10:00 am
201SE
State Capitol

Assembly Bill 442

Relating to: the amount of the exemption from income tax withholding requirements for employes of a county fair association.

By Representatives Gunderson, Jensen, Ladwig, Porter, Spillner, Kedzie, Albers, Olsen, Kestell, Staskunas, M. Lehman, Pettis, F. Lasee, Ainsworth, Musser, Klusman, Stone, Goetsch, Hahn, Plouff, J. Lehman, Jeskewitz, Grothman, Hasenohrl and Seratti; cosponsored by Senators Farrow, Schultz, Huelsman, Roessler, Cowles and Drzewiecki.

Assembly Bill 456

reduce individual income taxes revenues by 1/4 mill.

Relating to: creating an individual income tax subtract modification for amounts spent on medical insurance premiums by certain individuals.

By Representatives Hahn, Kestell, Rhoades, Ladwig, Hundertmark, Reynolds, Pettis, Lassa, Kelso, Waukau, Skindrud, Freese, Sykora, Hasenohrl, Urban, Stone, Musser, Plouff, F. Lasee, Kedzie, Plale, Owens, Gunderson, Seratti, Klusman, Goetsch, Olsen, Colon, Ainsworth, Petrowski, Nass, Staskunas, Ryba, Brandemuehl, Jeskewitz, Underheim, Huebsch, Meyerhofer and Jensen; cosponsored by Senators Drzewiecki, Wirth, Darling, Plache, Huelsman, Lazich, Schultz, Roessler and Welch.

Senate Bill 152

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Relating to: the tax exemption for occasional sales.

By Senators A. Lasee, Huelsman and Drzewiecki; cosponsored by Representatives Grothman, Gronemus, Sykora and Powers.

Senate Bill 276

Relating to: exempting from taxation a tax rebate for individuals.

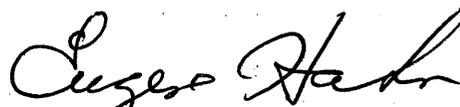
By Senators Farrow, Ellis, Rude and Drzewiecki.

Y N
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**An EXECUTIVE SESSION will be held on Assembly Bill 442, Assembly Bill 456,
Senate Bill 152, and Senate Bill 276 immediately following the public hearing.**



Senator Russell Decker
Co-Chair



Representative Eugene Hahn
Co-Chair

SENATE HEARING SLIP

(Please Print Plainly)

DATE: 1-6-2000

BILL NO. SB 152

or
SUBJECT

Shari Koid for
(Name)

Senator Alan Kasee
(Street Address or Route Number)

(City and Zip Code)

(Representing)

Speaking in Favor:

Speaking Against:

Registering in Favor:

Registering Against:

Speaking for information only;
Neither for nor against:

Please return this slip to a messenger PROMPTLY.

Senate Sergeant At Arms
Room 410 - South
P. O. Box 7882
State Capitol
Madison, WI 53707-7882

SENATE HEARING SLIP

(Please Print Plainly)

DATE: 1/6/00

BILL NO. SB 152

or
SUBJECT

Allison Kyawa
(NAME)

100 River Place Sk 101
(Street Address or Route Number)

Monona, WI 53716
(City and Zip Code)

WI Counties Assoc
(Representing)

Speaking in Favor:

Speaking Against:

Registering in Favor:
but not speaking:

Registering Against:
but not speaking:

Speaking for information
only; Neither for nor against:

Please return this slip to a messenger PROMPTLY.
Senate Sergeant-At-Arms
State Capitol - B35 South
P.O. Box 7882
Madison, WI 53707-7882

STATE OF WISCONSIN

REPORT OF THE JOINT SURVEY COMMITTEE ON TAX EXEMPTIONS

1999 SENATE BILL 152

[Introduced by Senators A. Lasee, Huelsman and Drzewiecki; cosponsored by Representatives Grothman, Gronemus, Sykora and Powers.]

General Nature of Proposal

Under current law, certain occasional sales of tangible personal property or services, including admissions or tickets to an event, are exempt from the state sales and use tax. In order to be exempt under current law the sale must:

1. Be made by a neighborhood association, church, civic group, garden club, social club or similar nonprofit organization.
2. Not involve entertainment for which payment in the aggregate exceeds \$300 for performing or as reimbursement of expenses unless access to the event may be obtained without payment of a direct or indirect admission fee.
3. Is conducted by the organization if the organization is not engaged in a trade or business and is not required to have a seller's permit. (Under the law, an organization is engaged in a trade or business and is required to have a seller's permit if its sales of tangible personal property and services, not including sales of tickets to events, and its events occur more than 20 days during the year, unless its receipts do not exceed \$15,000 during the year.)

Generally, the exemption provided under current law does not apply to gross receipts from the sale of bingo supplies to players or to the sale, rental or use of regular bingo cards, extra regular cards and special bingo cards.

The bill increases the entertainment expense limit from \$300 to \$500.

Legality Involved

There are no questions of legality involved.

Fiscal Effect Upon the State and Its Subdivisions

The Department of Revenue estimates the fiscal effect of the bill as follows:

This bill increases the entertainment expense limit for occasional sales events offered by qualified tax exempt organizations from

\$300 to \$500 per event. Detailed information regarding entertainment offerings and expenses at occasional sales events is not available. However, based on anecdotal information, the increased threshold for entertainment expenses is not likely to significantly affect sales tax revenue.

Public Policy Involved

This bill is good public policy.