

2001 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-SB55)

Received: 06/26/2001

Received By: jkreye

Wanted: Soon

Identical to LRB:

For: Assembly Republican Caucus

By/Representing: Jefferson

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Add. Drafters:

Subject: Tax - sales

Extra Copies:

Submit via email: NO

Requester's email:

Pre Topic:

ARC:.....Jefferson - AM114,

Topic:

12: Sales tax exemption for tangible personal property used in farming

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 06/26/2001	wjackson 06/26/2001		_____			
/1	rmarchan 06/27/2001	wjackson 06/27/2001	rschluet 06/26/2001	_____	lrb_docadmin 06/26/2001		
/2			rschluet	_____	lrb_docadmin		

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
			06/27/2001 _____		06/27/2001		

FE Sent For:

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/1		/2 6/27 WJ	rschluet 06/26/2001	_____	lrb_docadmin 06/26/2001		

Handwritten: 6-27-01

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2001 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-SB55)

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/?	jkreyc	/1 WLJ 6/26		==			

FE Sent For:

<END>

Budget Amendments 2001 - 2003

1770

JK

Prepared by the Assembly Republican Caucus

Statement of Intent Expand Agriculture Tax Exemption. Expands the sales and use tax exemption to include sales of nonpowered equipment and other tangible personal property used exclusively in the business of farming. This motion will include such activities as husbandry, aquaculture and tree farming.

Legislator	Seratti	Amendment	114
Legislator 2		Pass or Fail	Pass
Legislator 3		Spending Cut	
Legislator 4		Withdrawn	
Staff contact	Tim Fiocchi	Package	

Agency Revenue

Summary Under current law, tractors and other machines that are used exclusively and directly for farming, including horticulture and floriculture, are exempt from the sales tax and the use tax.

With this amendment, beginning July 1, 2003, tractors and other machines, lubricants, nonpowered equipment, and other tangible personal property that is used exclusively and directly for farming or husbandry activities, including aquaculture, horticulture, tree farming and floriculture, are exempt from the sales tax and the use tax.

Fiscal Impact There is no fiscal impact, since the exemption would not take effect this biennium.

Beginning next biennium, DOR estimates this amendment would reduce state sales tax revenue by \$4.7 million annually. Local government revenues (counties & stadium tax) would be reduced by about \$333,000 annually. In addition the DOR would incur a one-time cost of \$56,100 for a special mailing to retailers to notify them of the new law.

Drafting Inst

ARC Analyst Jefferson

see 50078/1

Request # 12

2001

Date (time) needed in 6-26-01

LRB b 1770 1 1

**ARC CAUCUS BUDGET AMENDMENT
[ONLY FOR CAUCUS]**

VK: WJ

See form **AMENDMENTS — COMPONENTS & ITEMS.**

**CAUCUS AMENDMENT
TO ASSEMBLY SUBSTITUTE AMENDMENT 1
TO 2001 SENATE BILL 55**

>>FOR CAUCUS SUPERAMENDMENT — NOT FOR INTRODUCTION<<

At the locations indicated, amend the substitute amendment as follows:

#. Page , line :

#. Page , line :

#. Page , line :

#. Page , line :

#. Page , line :

#. Page , line :

~~SENATE AMENDMENT,
TO SENATE SUBSTITUTE AMENDMENT 1,
TO 2001 SENATE BILL 55~~

1 ~~At the locations indicated, amend the substitute amendment as follows:~~

2 1. Page 847, line 2: after that line insert:

3 "SECTION 2245m. 77.54 (3) (a) of the statutes is amended to read:

4 77.54 (3) (a) The gross receipts from the sales of and the storage, use, or other
5 consumption of tractors and machines, including accessories, attachments, and
6 parts therefor, lubricants, nonpowered equipment, and other tangible personal
7 property used exclusively and directly in the business of farming or husbandry
8 activities, including dairy farming, agriculture, aquaculture, horticulture,
9 floriculture, and custom farming services, but excluding automobiles, trucks, and
10 other motor vehicles for highway use; excluding personal property that is attached
11 to, fastened to, connected to, or built into real property or that becomes an addition
12 to, component of, or capital improvement of real property; and excluding tangible

1 personal property used or consumed in the erection of buildings or in the alteration,
2 repair, or improvement of real property, regardless of any contribution that that
3 personal property makes to the production process in that building or real property
4 and regardless of the extent to which that personal property functions as a machine,
5 except as provided in par. (c).”.

6 **2.** Page 847, line 5: after that line insert:

7 “SECTION 2246cc. 77.54 (30) (a) 3. of the statutes is repealed.

8 SECTION 2246dd. 77.54 (30) (a) 5. of the statutes is repealed.

9 SECTION 2246hh. 77.54 (34) of the statutes is repealed.”.

10 **3.** Page 1423, line 15: after that line insert:

11 “(1p) TANGIBLE PERSONAL PROPERTY USED IN FARMING. The treatment of section
12 77.54 (3) (a), (30) (a) 3. and 5., and (34) of the statutes takes effect on the first day
13 of the 2nd month beginning after publication.”.

14 (END)



State of Wisconsin
2001 - 2002 LEGISLATURE

LRBb17704²

JK:wlj:cmh

ARC:.....Jefferson – AM114, 12: Sales tax exemption for tangible personal property used in farming

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS ASSEMBLY AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 2001 SENATE BILL 55

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15 of the 2nd month beginning after publication.”

16

(END)

July 1, 2003



State of Wisconsin
2001 - 2002 LEGISLATURE

LRBb1770/2
JK:wlj:rs

ARC:.....Jefferson - AM114, 12: Sales tax exemption for tangible personal property used in farming

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