

Kreye, Joseph

From: Bierbaum, Deborah R, CFCRP [bierbaum@att.com]
Sent: Thursday, February 13, 2003 11:41 AM
To: Gibbons, Vicki L
Cc: Hardt, Diane L; Hinnendael, Michael J; Kreye, Joseph; john.cmelak@verizonwireless.com; daurell.bell@attws.com
Subject: RE: SSTP Sourcing of Telecom

Vicki,

That would be correct. The issue is for prepaid wireless because in some cases they do not have a customer account address and the only thing they know is the mobile number. If you need more on the prepaid wireless issue you can contact:

Daurell Bell at AT&T Wireless or John Cmelak at Verizon Wireless. I have copied them in on this note.

Deborah

-----Original Message-----

From: Gibbons, Vicki L [mailto:vgibbons@dor.state.wi.us]
Sent: Thursday, February 13, 2003 12:23 PM
To: Bierbaum, Deborah R, CFCRP
Cc: Hardt, Diane L; Hinnendael, Michael J; Kreye, Joseph
Subject: SSTP Sourcing of Telecom

Deborah,

The Legislative attorney drafting our Streamlined legislation has brought up a question regarding incorporating the telecom sourcing language from the Agreement into our statutes.

In Section 314, Part C.3. of the Agreement, it states that if the general sourcing rules in Section 310, A. 1-4 do not apply, then rule 5 applies along with an option to use the location associated with the mobile telephone number.

I am assuming that the option is for the seller (i.e., whatever the seller chooses is what the state must accept). Is that assumption correct?

Vicki L. Gibbons
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RESEARCH APPENDIX - Draft Transfer/Copy Request Form

- Atty's please complete this form and give to Mike Barman (or Lynn E. in his absence)

(Request Made By: JK) (Date: 3/6/03)



Please transfer the drafting file for

2001 LRB _____ to the drafting file

for 2003 LRB _____

Done
MB

The final version of the 2001 draft and the final Request Sheet will be copied on yellow paper, and returned to the original 2001 drafting file. A new cover sheet will be created/included listing the new location of the drafting file's "guts".

For research purposes, because the 2001 draft was incorporated into a 2003 draft, the complete drafting file will be transferred, as a separate appendix, to the new 2003 drafting file. This request form will be inserted into the "guts" of the 2003 draft. If introduced, the appendix will be scanned/added to the electronic drafting file folder.

— OR —

Please copy the drafting file for

2003 LRB -0646 / P2 (include the version) and place it in the

drafting file for 2003 LRB -2028

For research purposes, because the original 2003 draft was incorporated into another 2003 draft, the original drafting file will be copied on yellow paper (darkened/auto centered/reduced to 90%) and added, as a separate appendix, to the new 2003 drafting file. This request form will be inserted into the "guts" of the new 2003 draft. If introduced the appendix will be scanned/added to the electronic drafting file folder.

The original drafting file will then returned, intact, to it's folder and filed. For future reference, a copy of the transfer/copy request form will also be added to the "guts" of the original draft.

2028/P1

2003 - 2004 LEGISLATURE

LRB-0646/P2

JK:kmg:pg

5
Due 3/11/03
Wed. (Tues) or earlier if possible

DOA:.....Koskinen - BB0368, Streamlined sales tax

FOR 2003-05 BUDGET - NOT READY FOR INTRODUCTION

for purpose of administering and collecting state, county, and stadium district sales and use taxes
Gen. Cat.

state, county, and stadium district
in 2-13-03
D-N

1 AN ACT relating to: the Uniform Sales and Use Tax Administration Act,
2 granting rule-making authority, making an appropriation, and providing a
3 penalty.

Analysis by the Legislative Reference Bureau

~~TAXATION~~
~~OTHER TAXATION~~

This bill adopts the substantive provisions of the streamlined sales and use tax agreement (agreement). The agreement is intended to simplify and modernize sales and use tax administration for the states that enter into the agreement and to encourage out-of-state retailers to collect the ~~states~~ sales and use taxes voluntarily. Under current federal law, generally, an out-of-state retailer who sells goods or services to customers in this state is not required to collect the sales tax or use tax imposed on such sales, if the retailer has no physical presence in this state. See *Quill v. North Dakota*, 504 U.S. 298; 112 S.Ct. 1904 (1992).

States that wish to enter into the agreement must adopt uniform definitions related to the administration of sales and use taxes and uniform policies related to sourcing sales of goods and services, bad debt allowances, refunds, and, to some extent, exemptions. Under the agreement, DOR may act jointly with other states that are signatories to the agreement to establish standards for certifying service providers and automated systems to aid out-of-state retailers with the collection of state sales and use taxes.

Under current law, “gross receipts” refers to the measure of the sales tax, and “sales price” refers to the measure of the use tax. Under the bill, “sales price” refers to the measure of the sales tax, and “purchase price” refers to the measure of the use tax.

The bill creates definitions for “alcohol beverages,” “candy,” “delivery charges,” “dietary supplement,” “food and food ingredients,” “prepared food,” and “soft drink.”

The agreement provides that a state that is a signatory to the agreement may choose to tax or not tax all articles that are covered by one definition, but a state may not exempt from sales tax or use tax a particular item that is included in a definition. The members of the project working on the agreement approved a definition for “clothing.” Therefore, in order to comply with the agreement, a state may either tax all clothing or exempt all clothing, but a state may not exempt certain items of clothing and tax others. This bill, therefore, eliminates the sales tax and use tax exemptions for cloth diapers and antiembolism hose.

This bill creates definitions for “durable medical equipment,” “mobility-enhancing equipment,” and “prosthetic device.” Under the bill, the sale of such equipment and devices is exempt from the sales tax and the use tax.

Under the bill, generally, for purposes of determining which jurisdiction may impose a sales tax or use tax on a sale, if a purchaser receives a product at the seller’s business location, the sale of that product occurs at the seller’s business location. If a purchaser does not receive the product at a seller’s business location, the sale occurs at the location where the purchaser receives the product. If the location of the sale cannot be so determined, the sale occurs at the purchaser’s address, as indicated by the seller’s business records. If the address cannot be determined from the business records, the sale occurs at the purchaser’s address, as obtained during the consummation of the sale, including the address indicated on the purchaser’s check. Finally, if the location of a sale cannot be determined in any other way, the sale of tangible personal property occurs at the location from which the tangible personal property is shipped. Under the bill, if the item sold is a digital good or computer software, and the digital good or computer software is delivered electronically, the sale occurs at the location from which the digital good or computer software was first available for transmission by the seller.

Under the bill, generally, the sale of a telecommunications service occurs at a location that is determined to be consistent with the provisions of the federal Mobile Telecommunications Sourcing Act.

This bill will be referred to the Joint Survey Committee on Tax Exemptions for a detailed analysis, which will be printed as an appendix to this 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. 66.0615 (1m) (f) 2. of the statutes is amended to read:

77.585 ✓
plain ✓

1 66.0615 (1m) (f) 2. Sections 77.51 (14) (c), ~~and (f) and (j)~~ and (14g), 77.52 (3),
2 (4), ~~(6)~~ and (18), 77.522, 77.58 (1) to (5) and (7), 77.59, 77.60, 77.61 (2), (5), (8), (9) and
3 (12) to (14) and 77.62, as they apply to the taxes under subch. III of ch. 77, apply to
4 the tax described under subd. 1.

5 SECTION 2. 70.111 (23) of the statutes is amended to read:

6 70.111 (23) VENDING MACHINES. All machines that automatically dispense ~~soda~~
7 ~~water beverages, as defined in s. 97.29 (1) (i), and items included~~ defined as a food
8 ~~or beverage under s. 77.54 (20) (a) and (b)~~ and food ingredient ~~under~~ s. 77.51 (3t) upon
9 the deposit in the machines of specified coins or currency, or insertion of a credit card,
10 in payment for the soda water beverages, food or beverages.

11 SECTION 3. 73.03 (50) (d) of the statutes is amended to read:

12 73.03 (50) (d) In the case of a sole proprietor, signs the form or, in the case of
13 other persons, has an individual who is authorized to act on behalf of the person sign
14 the form, or, in the case of a single-owner entity that is disregarded as a separate
15 entity under section 7701 of the Internal Revenue Code, the person is the owner. Any
16 person who may register under this subsection may designate ~~certified service~~
17 ~~provider~~ to register with the department under this subsection in the manner
18 prescribed by the department. In this paragraph, "sign" has the meaning given in
19 s. 77.51 (17r). an agent, as defined in s. 77.524 (ag),

20 SECTION 4. 73.03 (50b) of the statutes is created to read:

21 73.03 (50b) To waive the fee established under sub. (50) for applying for and
22 renewing the business tax registration certificate, if the person who is applying for
23 or renewing the certificate is not required for purposes of ch. 77 to hold such a
24 certificate.

25 SECTION 5. 73.03 (59) of the statutes is created to read:

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73.03 (59) To do all of the following related to the Uniform Sales and Use Tax Administration Act:

(a) Certify compliance with the agreement, as defined in s. 77.65 (2) (a).

(b) Pursuant to the agreement, as defined in s. 77.65 (2) (a), certify certified service providers, as defined in s. 77.51 (1g), and certified automated systems, as defined in s. 77.524 (1) ~~(a)~~ ^(am) _(am)

[&] (c) Issue a tax identification number to a person who claims an exemption under subch. III or V of ch. 77 and who is not required to register with the department for the purposes of subch. III or V of ch. 77 ^{and establish procedures for the registration of such a person}

[&] (d) Maintain a database that is accessible to sellers and certified service providers, as defined in s. 77.51 (1g), that indicates whether items defined in accordance with the Uniform Sales and Use Tax Administration Act are taxable or nontaxable.

^f (e) Maintain a database that is accessible to sellers and certified service providers, as defined in s. 77.51 (1g), that indicates tax rates, taxing jurisdiction boundaries, and zip code or address assignments related to the administration of taxes imposed under subchs. III and V of ch. 77.

SECTION 6. 76.07 (4g) (b) 8. of the statutes is amended to read:

76.07 (4g) (b) 8. Determine transport-related revenue by adding public service revenue allocated to this state on the basis of routes for which the company is authorized to receive subsidy payments, mutual aid allocated to this state on the basis of the ratio of transport revenues allocated to this state to transport revenues everywhere in the previous year, in-flight sales allocated to this state as they are allocated under s. ~~77.51 (14r)~~ 77.522 and all other transport-related revenues from sales made in this state.

INSERT 4-17

1 **SECTION 7.** 77.51 (1) of the statutes is renumbered 77.51 (1d).

2 **SECTION 8.** 77.51 (1b) of the statutes is created to read:

3 **77.51 (1b)** “Alcohol beverage” means a beverage that is suitable for human
4 consumption and that contains 0.5% or more of alcohol by volume.

5 **SECTION 9.** 77.51 (1e) of the statutes is created to read:

6 **77.51 (1e)** “Candy” means a preparation of sugar, honey, or other natural or
7 artificial sweetener combined with chocolate, fruit, nuts, or other ingredients or
8 flavorings in the form of bars, drops, or pieces. “Candy” does not include a
9 preparation that contains flour or that requires refrigeration.

10 **SECTION 10.** 77.51 (1n) of the statutes is created to read:

11 **77.51 (1n)** “Computer” means an electronic device that accepts information in
12 digital or similar form and that manipulates such information to achieve a result
13 based on a sequence of instructions.

14 **SECTION 11.** 77.51 (1p) of the statutes is created to read:

15 **77.51 (1p)** “Computer software” means a set of coded instructions designed to
16 cause a computer or automatic data processing equipment to perform a task.

17 **SECTION 12.** 77.51 (2k) of the statutes is created to read:

18 **77.51 (2k)** “Delivered electronically” means delivered to a purchaser by means
19 other than by tangible storage media.

20 **SECTION 13.** 77.51 (2m) of the statutes is created to read:

21 **77.51 (2m)** “Delivery charges” means charges by a seller to prepare and deliver
22 tangible personal property or services to a location designated by the purchaser of
23 the tangible personal property or services, including charges for transportation,
24 shipping, postage, handling, crating, and packing.

25 **SECTION 14.** 77.51 (3p) of the statutes is created to read:

1 77.51 (3p) "Dietary supplement" means a product, other than tobacco, that is
2 intended to supplement a person's diet, if all of the following apply:

3 (a) The product contains any of the following ingredients or any combination
4 of any of the following ingredients:

5 1. A vitamin.

6 2. A mineral.

7 3. An herb or other botanical.

8 4. An amino acid.

9 5. A substance, other than an ingredient under subds. 1. to 4. that is intended
10 for human consumption ~~and that increases~~ total dietary intake.

11 6. A concentrate, metabolite, constituent, or extract.

12 (b) The product is intended for ingestion in tablet, capsule, powder, or liquid
13 form, or, if not intended for ingestion in such forms, is not represented as food ~~or a~~
14 ~~food ingredient~~ and is not represented for use as the sole item of a meal or diet.

15 (c) The product is required to be labeled as a dietary supplement as required
16 under 21 CFR 101.36.

17 SECTION 15. 77.51 (3pd) of the statutes is created to read:

18 77.51 (3pd) "Direct mail" means printed material that is delivered by the U.S.
19 postal service or other delivery service to a mass audience or to addresses on a
20 mailing list provided by or at the direction of the purchaser of the printed material,
21 if the cost of the printed material or any tangible personal property included with the
22 printed material is not billed directly to the recipients of the printed material.
23 "Direct mail" includes any tangible personal property provided directly or indirectly
24 by the purchaser of the printed material to the seller of the printed material for

to supplement the diet by increasing

dietary

soft-gel, gel-cap,

conventional

Component
1 inclusion in any package containing printed material. "Direct mail" does not include
2 multiple items of printed material delivered to a single address.

3 **SECTION 16.** 77.51 (3pj) of the statutes is created to read:

4 77.51 (3pj) "Drug" means a compound, substance, or preparation, or any
5 ~~combination~~ of them, other than food and food ingredients, dietary supplements, or
6 alcoholic beverages, to which any of the following applies:

7 (a) It is listed in the United States Pharmacopoeia, Homeopathic
8 Pharmacopoeia of the United States, or National Formulary, or any supplement to
9 any of them.

10 (b) It is intended for use in diagnosing, curing, mitigating, treating, or
11 preventing a disease.

12 (c) It is intended to affect a function or structure of the body.

13 **SECTION 17.** 77.51 (3pm) of the statutes is created to read:

14 77.51 (3pm) "Durable medical equipment" means equipment, including the
15 repair parts and replacement parts for the equipment, that is for use in a person's
16 home; that is primarily and customarily used for a medical purpose related to a
17 person; that can withstand repeated use; that is not generally useful to a person who
18 is not ill or injured; and that is not placed in or worn on the body. "Durable medical
19 equipment" does not include mobility-enhancing equipment.

20 **SECTION 18.** 77.51 (3pp) of the statutes is created to read:

21 77.51 (3pp) "Electronic" means relating to technology having electrical,
22 digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.

23 **SECTION 19.** 77.51 (3t) of the statutes is created to read:

24 77.51 (3t) "Food and food ingredient" means a substance in liquid,
25 concentrated, solid, frozen, dried, or dehydrated form, that is sold for ingestion, or

INSERT 8-3 ✓

1 for chewing, by humans and that is ingested or chewed for its taste or nutritional
2 value. "Food and food ingredient" does not include alcohol beverages or tobacco.

3 SECTION 20. 77.51 (4) of the statutes is repealed.

4 SECTION 21. 77.51 (7) of the statutes is repealed and recreated to read:

5 ~~77.51 (7) (a) "Lease or rental" means any transfer of possession or control of
6 tangible personal property for a fixed or indeterminate term and for consideration,
7 including a transfer that includes future options to purchase or extend, regardless
8 of whether such transfer is considered a lease or rental under generally accepted
9 accounting principles, or any provision of federal or state law.~~

INSERT 8-9

10 (b) "Lease or rental" does not include any of the following:

11 1. A transfer of possession or control of tangible personal property under a
12 security agreement or deferred payment plan, if such agreement or plan requires
13 transferring title to the tangible personal property after making all required
14 payments.

15 2. A transfer of possession or control of tangible personal property under any
16 agreement that requires transferring title to the tangible personal property after
17 making all required payments and after paying an option price that does not exceed
18 the greater of \$100 or 1% of the total amount of the required payments.

19 3. Providing tangible personal property along with an operator, if the operator
20 is necessary for the tangible personal property to perform in the manner for which
21 it is designed and if the operator does more than maintain, inspect, or set up the
22 tangible personal property.

23 ~~4. Agreements related to the transfer of possession or control of motor vehicles
24 or trailers, if the amount of any consideration may be increased or decreased by~~

INSERT 8-22 ✓

1 reference to the amount realized on the sale or other disposition of such motor
2 vehicles or trailers, consistent with section 7701 (h) (1) of the Internal Revenue Code.

3 SECTION 22. 77.51 (7m) of the statutes is created to read:

4 77.51 (7m) "Mobility-enhancing equipment" means equipment, including the
5 repair parts and replacement parts for the equipment, that is primarily and
6 customarily used to provide or increase the ability of a person to move from one place
7 to another; that may be used in a home or motor vehicle; and that is generally not
8 used by a person who has normal mobility. "Mobility-enhancing equipment" does
9 not include a motor vehicle or any equipment on a motor vehicle that is generally
10 provided by a motor vehicle manufacturer.

11 SECTION 23. 77.51 (10m) of the statutes is created to read:

12 77.51 (10m) (a) "Prepared food" means:

- 13 1. Food and food ingredients sold heated.
- 14 2. Food and food ingredients heated by the retailer.
- 15 3. Food and food ingredients sold with eating utensils that are provided by the
- 16 retailer of the food and food ingredients, including plates, knives, forks, spoons,
- 17 glasses, cups, napkins, and straws ~~not including~~ ^{include} a container or packaging used
- 18 to transport food and food ingredients. In this subdivision, "plate" does

19 4. Except as provided in par. (b) ~~1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25~~ 2 or more food ingredients mixed or
20 combined by a retailer for sale as a single item.

21 (b) "Prepared food" under par. (a) 2. and 4. does not include:

- 22 1. Two or more food ingredients mixed or combined by a retailer for sale as a
- 23 single item, if the retailer's primary classification in the 1997 North American
- 24 Industry Classification System, published by the federal office of management and
- 25 budget, is manufacturing under sectors 31 to 33, not including bakeries and tortilla

1 manufacturing under industry group number 3118, unless sold as provided in par.

2 (a) 2. or 4.

3 2. Two or more food ingredients mixed or combined by a retailer for sale as a
4 single item, sold unheated, and sold by volume or weight, unless the ingredients are

5 sold as provided in par. (a) 2. or 4.

6 3. Bakery items made by a retailer, including breads, rolls, pastries, buns,
7 biscuits, bagels, croissants, donuts, danish, cakes, tortes, pies, tarts, muffins, bars,
8 cookies, and tortillas, unless the items are sold as provided in par. (a) 2. or 4.

9 4. Food and food ingredients that are only sliced, repackaged, or pasteurized
10 by a retailer.

11 5. Eggs, fish, meat, and poultry, and foods containing any of them in raw form,
12 that require cooking by the consumer, as recommended by the food and drug
13 administration in chapter 3, part 401.11 of its food code to prevent food-borne
14 illnesses.

15 SECTION 24. 77.51 (10n) of the statutes is created to read:

16 77.51 (10n) "Prescription" means an order, formula, or recipe that is issued by
17 any oral, written, electronic, or other means of transmission and by a person who is
18 authorized by the laws of this state to issue such an order, formula, or recipe.

19 SECTION 25. 77.51 (10r) of the statutes is created to read:

20 77.51 (10r) "Prewritten computer software" means any of the following:

21 (a) Computer software that is not designed and developed by the author or
22 creator of the software according to a specific purchaser's specifications.

23 (b) Computer software upgrades that are not designed and developed by the
24 author or creator of the software according to a specific purchaser's specifications.

1 (c) Computer software that is designed and developed by the author or creator
2 of the software according to a specific purchaser's specifications and that is sold to
3 another purchaser.

4 (d) Any combination of computer software under pars. (a) to (c), including any
5 combination with any portion of such software.

6 (e) Computer software as described under pars. (a) to (d), and any portion of
7 such software, that is modified or enhanced by any degree to a specific purchaser's
8 specifications, unless ~~it is~~ ^{is reasonably and} separately indicated ~~on~~ ^{on} an invoice, or other
9 statement of the price, ~~of~~ ^{of} such modification or enhancement ~~is~~ provided to the
10 purchaser.

11 SECTION 26. 77.51 (11m) of the statutes is created to read:

12 77.51 (11m) "Prosthetic device" means a device, including the repair parts and
13 replacement parts for the device, that is placed in or worn on the body to artificially
14 replace a missing portion of the body; to prevent or correct a physical deformity or
15 malfunction; or to support a weak or deformed portion of the body.

16 SECTION 27. 77.51 (12m) of the statutes is created to read:

17 77.51 (12m) (a) "Purchase price" means the total amount of consideration,
18 including cash, credit, property, and services, for which ^{tangible} personal property or services
19 are sold, leased, or rented, valued in money, whether ~~received~~ ^{received} in money or otherwise,
20 without any deduction for the following:

- 21 1. The seller's cost of the property sold.
- 22 2. The cost of materials used, labor or service cost, interest, losses, all costs of
23 transportation to the seller, all taxes imposed on the seller, and any other expense
24 of the seller.

1 3. Charges by the seller for any services necessary to complete a sale, not
2 including delivery and installation charges.

3 4. Delivery charges, except as provided in par. (b) 4.

4 5. Installation charges.

5 6. The value of exempt ^{tangible} personal property, except drugs that are exempt under
6 s. 77.54 (14), that is given to the purchaser of the property, if the exempt ^{tangible} personal
7 property is bundled with taxable ^{tangible} personal property and sold by the seller as a single
8 product or piece of merchandise.

9 (b) "Purchase price" does not include:

10 1. Discounts, including cash, terms, or coupons, that are not reimbursed by a
11 3rd party; that are allowed by a seller; and that are taken by a purchaser on a sale.

12 2. Interest, financing, and carrying charges from credit that is extended on a
13 sale of personal property or services, if the amount of the interest, financing, or
14 carrying charges is separately stated on the invoice, bill of sale, or similar document
15 that the seller gives to the purchaser.

16 3. Any taxes legally imposed directly on the purchaser that are separately
17 stated on the invoice, bill of sale, or similar document that the seller gives to the
18 purchaser.

19 4. Delivery charges for direct mail.

20 5. In all transactions in which an article of tangible personal property is traded
21 toward the purchase of an article of greater value, the amount of the purchase price
22 that represents the amount allowed for the article traded, except that this
23 subdivision does not apply to any transaction to which subd. ^{7.02} 8. applies.

24 6. If a person who purchases a motor vehicle presents a statement issued under
25 s. 218.0171 (2) (cq) to the seller at the time of purchase, and the person presents the

This subdivision does not apply to a lease or rental.

1 statement to the seller within 60 days from the date of receiving a refund under s.
 2 218.0171 (2) (b) 2. b., the trade-in amount specified in the statement issued under
 3 s. 218.0171 (2) (cq), but not to exceed the purchase price from the sale of the motor
 4 vehicle. This subdivision applies only to the first motor vehicle purchased by a
 5 person after receiving a refund under s. 218.0171 (2) (b) 2. b.

6 7. Thirty-five percent of the purchase price, excluding trade-ins, of a new
 7 mobile home, as defined in s. 340.01 (29), that is a primary housing unit or of a new
 8 mobile home, as defined in s. 340.01 (29), that is transported in 2 unattached sections
 9 if the total size of the combined sections, not including additions and attachments,
 10 is at least 984 square feet measured when the sections are ready for transport.

11 8. At the retailer's option; except that after the retailer chooses an option the
 12 retailer may not use the other option for other sales without the department's written
 13 approval; either 35% of the purchase price of a manufactured building, as defined in
 14 s. 101.71 (6), or an amount equal to the purchase price of the manufactured building
 15 minus the cost of materials that become an ingredient or component part of the
 16 building.

17 SECTION 28. 77.51 (12p) of the statutes is created to read:

18 77.51 (12p) "Purchaser" means a person to whom a sale of ^{tangible} personal property
 19 is made or to whom a service is furnished.

20 SECTION 29. 77.51 (13) (o) of the statutes is amended to read:

21 77.51 (13) (o). A person selling medicine drugs for animals to a veterinarian.
 22 As used in this paragraph, "animal" includes livestock, pets and poultry.

23 SECTION 30. 77.51 (13s) of the statutes is created to read:

24 77.51 (13s) "Retail sale" or "sale at retail" means any sale, lease, or rental for
 25 any purpose other than resale, sublease, or subrent.

****NOTE: Please note that because "subrent" is not defined, and is not a word in the dictionary, DOR may need to define this term by rule.

SECTION 31. 77.51 (14) (intro.) of the statutes is amended to read:

77.51 (14) (intro.) "Sale", "sale, lease or rental", "retail sale", "sale at retail", or equivalent terms include includes any one or all of the following: the transfer of the ownership of, title to, possession of, or enjoyment of tangible personal property or services for use or consumption but not for resale as tangible personal property or services and includes:

SECTION 32. 77.51 (14) (d) of the statutes is repealed.

~~SECTION 33. 77.51 (14) (j) of the statutes is repealed.~~

SECTION 34. 77.51 (14r) of the statutes is repealed.

SECTION 35. 77.51 (15) of the statutes is repealed.

SECTION 36. 77.51 (15a) of the statutes is created to read:

77.51 (15a) (a) "Sales price" means the total amount of consideration, including cash, credit, property, and services, for which personal property or services are sold, leased, or rented, valued in money, whether received in money or otherwise, without any deduction for the following:

1. The seller's cost of the property sold.
2. The cost of materials used, labor or service cost, interest, losses, all costs of transportation to the seller, all taxes imposed on the seller, and any other expense of the seller.
3. Charges by the seller for any services necessary to complete a sale, not including delivery and installation charges.
4. Delivery charges, except as provided in par. (b) 4.
5. Installation charges.

Handwritten annotations: "INSERT 14-6" with an arrow pointing to line 1; "7" in a circle with an arrow pointing to line 7; "INSERT 14-7" in a box with an arrow pointing to line 8; "INSERT 14-10" in a box with an arrow pointing to line 10.

1 6. The value of exempt ^{tangible} personal property, except drugs that are exempt under
2 s. 77.54 (14), that is given to the purchaser of the property, if the exempt ^{tangible} personal
3 property is bundled with taxable ^{tangible} personal property and sold by the seller as a single
4 product or piece of merchandise.

5 (b) "Sales price" does not include:

6 1. Discounts, including cash, terms, or coupons, that are not reimbursed by a
7 3rd party; that are allowed by a seller; and that are taken by a purchaser on a sale.

8 2. Interest, financing, and carrying charges from credit that is extended on a
9 sale of ^{tangible} personal property or services, if the amount of the interest, financing, or
10 carrying charges is separately stated on the invoice, bill of sale, or similar document
11 that the seller gives to the purchaser.

12 3. Any taxes legally imposed directly on the purchaser that are separately
13 stated on the invoice, bill of sale, or similar document that the seller gives to the
14 purchaser.

15 4. Delivery charges for direct mail.

16 5. In all transactions in which an article of tangible personal property is traded
17 toward the purchase of an article of greater value, the amount of the sales price that
18 represents the amount allowed for the article traded, except that this subdivision
19 does not apply to any transaction to which subd. ^{7. or} 8. applies.

20 6. If a person who purchases a motor vehicle presents a statement issued under
21 s. 218.0171 (2) (cq) to the seller at the time of purchase, and the person presents the
22 statement to the seller within 60 days from the date of receiving a refund under s.
23 218.0171 (2) (b) 2. b., the trade-in amount specified in the statement issued under
24 s. 218.0171 (2) (cq), but not to exceed the sales price from the sale of the motor vehicle.

This subdivision does not apply to a lease or rental.

1 This subdivision applies only to the first motor vehicle purchased by a person after
2 receiving a refund under s. 218.0171 (2) (b) 2. b.

3 7. Thirty-five percent of the sales price, excluding trade-ins, of a new mobile
4 home, as defined in s. 340.01 (29), that is a primary housing unit or of a new mobile
5 home, as defined in s. 340.01 (29), that is transported in 2 unattached sections if the
6 total size of the combined sections, not including additions and attachments, is at
7 least 984 square feet measured when the sections are ready for transport.

8 8. At the retailer's option; except that after the retailer chooses an option the
9 retailer may not use the other option for other sales without the department's written
10 approval; either 35% of the sales price of a manufactured building, as defined in s.
11 101.71 (6), or an amount equal to the sales price of the manufactured building minus
12 the cost of materials that become an ingredient or component part of the building.

13 SECTION 37. 77.51 (17) of the statutes is amended to read:

14 77.51 (17) "Seller" includes a certified service provider and every person
15 selling, leasing or renting tangible personal property or selling, performing or
16 furnishing services of a kind the ~~gross receipts~~ sales price from the sale, lease, rental,
17 performance or furnishing of which ~~are~~ is required to be included in the measure of
18 the sales tax.

19 SECTION 38. 77.51 (17w) of the statutes is created to read:

20 77.51 (17w) "Soft drink" means a beverage that contains less than 0.5% of
21 alcohol and that contains natural or artificial sweeteners. "Soft drink" does not
22 include a beverage that contains milk or milk products; soy, rice, or similar milk
23 substitutes; or more than 50% vegetable or fruit juice by volume.

24 SECTION 39. 77.51 (20) of the statutes is amended to read:

INSERT 16-18 ✓

1 77.51 (20) “Tangible personal property” means ~~all tangible personal property~~
2 ~~of every kind and description that can be seen, weighed, measured, felt, or touched,~~
3 ~~or that is in any other manner perceptible to the senses,~~ and includes electricity,
4 ~~natural gas, steam and, water, and also leased property affixed to realty if the lessor~~
5 ~~has the right to remove the property upon breach or termination of the lease~~
6 ~~agreement, unless the lessor of the property is also the lessor of the realty to which~~
7 ~~the property is affixed. “Tangible personal property” also includes coins and stamps~~
8 ~~of the United States sold or traded as collectors’ items above their face value and~~
9 ~~computer programs except custom prewritten computer programs software.~~

10 **SECTION 40.** 77.51 (21) of the statutes is amended to read:

11 77.51 (21) “Taxpayer” means the person who is required to pay, collect, or
12 account for or who is otherwise directly interested in the taxes imposed by this
13 subchapter, including a certified service provider.

14 **SECTION 41.** 77.51 (21p) of the statutes is created to read:

15 77.51 (21p) “Tobacco” means cigarettes, cigars, chewing tobacco, pipe tobacco,
16 and any other item that contains tobacco.

17 **SECTION 42.** 77.51 (22) (bm) of the statutes is created to read:

18 77.51 (22) (bm) In this subsection, “exercise of any right or power over tangible
19 personal property or taxable services” includes ^{distributing,} selecting recipients, determining
20 mailing schedules, or otherwise directing the distribution, dissemination, or
21 disposal of tangible personal property or taxable services, regardless of whether the
22 purchaser of such property or services owns or physically possesses, in this state, the
23 property or services.

24 **SECTION 43.** 77.52 (1) of the statutes is renumbered 77.52 (1) (a) and amended
25 to read:

1 77.52 (1) (a) For the privilege of selling, licensing, leasing or renting tangible
2 personal property, including accessories, components, attachments, parts, supplies
3 and materials, at retail a tax is imposed upon all retailers at the rate of 5% of the
4 ~~gross receipts~~ sales price from the sale, lease or rental of tangible personal property,
5 including accessories, components, attachments, parts, supplies and materials, sold,
6 leased or rented at retail in this state.

7 **SECTION 44.** 77.52 (1) (b) of the statutes is created to read:

8 77.52 (1) (b) For the privilege of selling at retail coins and stamps of the United
9 States that are sold or traded as collectors' items above their face value, a tax is
10 imposed on all retailers at the rate of 5% of the sales price from the sale of such coins
11 and stamps.

12 **SECTION 45.** 77.52 (1) (c) of the statutes is created to read:

13 77.52 (1) (c) For the privilege of leasing property that is affixed to real property,
14 a tax is imposed on all retailers at the rate of 5% of the sales price from the lease of
15 such property, if the lessor has the right to remove the leased property upon breach
16 or termination of the lease agreement, unless the lessor of the leased property is also
17 the lessor of the real property to which the leased property is affixed.

18 **SECTION 46.** 77.52 (2) (intro.) of the statutes is amended to read:

19 77.52 (2) (intro.) For the privilege of selling, licensing, performing or furnishing
20 the services described under par. (a) at retail in this state to consumers or users, a
21 tax is imposed upon all persons selling, performing or furnishing the services at the
22 rate of 5% of the ~~gross receipts~~ sales price from the sale, performance or furnishing
23 of the services.

24 **SECTION 47.** 77.52 (2) (a) 10. of the statutes is amended to read:

1 77.52 (2) (a) 10. Except for installing or applying tangible personal property
2 which, when installed or applied, will constitute an addition or capital improvement
3 of real property, the repair, service, alteration, fitting, cleaning, painting, coating,
4 towing, inspection, and maintenance of all items of tangible personal property
5 unless, at the time of such repair, service, alteration, fitting, cleaning, painting,
6 coating, towing, inspection, or maintenance, a sale in this state of the type of property
7 repaired, serviced, altered, fitted, cleaned, painted, coated, towed, inspected, or
8 maintained would have been exempt to the customer from sales taxation under this
9 subchapter, other than the exempt sale of a motor vehicle or truck body to a
10 nonresident under s. 77.54 (5) (a) and other than nontaxable sales outside this state
11 under s. ~~77.51 (14r)~~ 77.522. For purposes of this paragraph, the following items shall
12 be considered to have retained their character as tangible personal property,
13 regardless of the extent to which any such item is fastened to, connected with, or built
14 into real property: furnaces, boilers, stoves, ovens, including associated hoods and
15 exhaust systems, heaters, air conditioners, humidifiers, dehumidifiers,
16 refrigerators, coolers, freezers, water pumps, water heaters, water conditioners and
17 softeners, clothes washers, clothes dryers, dishwashers, garbage disposal units,
18 radios and radio antennas, incinerators, television receivers and antennas, record
19 players, tape players, jukeboxes, vacuum cleaners, furniture and furnishings,
20 carpeting and rugs, bathroom fixtures, sinks, awnings, blinds, gas and electric logs,
21 heat lamps, electronic dust collectors, grills and rotisseries, bar equipment,
22 intercoms, recreational, sporting, gymnasium and athletic goods and equipment
23 including by way of illustration but not of limitation bowling alleys, golf practice
24 equipment, pool tables, punching bags, ski tows, and swimming pools; equipment in
25 offices, business facilities, schools, and hospitals but not in residential facilities

1 including personal residences, apartments, long-term care facilities, as defined
2 under s. 16.009 (1) (em), state institutions, as defined under s. 101.123 (1) (i), Type
3 1 secured correctional facilities, as defined in s. 938.02 (19), or similar facilities
4 including, by way of illustration but not of limitation, lamps, chandeliers, and fans,
5 venetian blinds, canvas awnings, office and business machines, ice and milk
6 dispensers, beverage-making equipment, vending machines, soda fountains, steam
7 warmers and tables, compressors, condensing units and evaporative condensers,
8 pneumatic conveying systems; laundry, dry cleaning, and pressing machines, power
9 tools, burglar alarm and fire alarm fixtures, electric clocks and electric signs.
10 “Service” does not include services performed by veterinarians. The tax imposed
11 under this subsection applies to the repair, service, alteration, fitting, cleaning,
12 painting, coating, towing, inspection, or maintenance of items listed in this
13 subdivision, regardless of whether the installation or application of tangible
14 personal property related to the items is an addition to or a capital improvement of
15 real property, except that the tax imposed under this subsection does not apply to the
16 original installation or the complete replacement of an item listed in this subdivision,
17 if such installation or replacement is a real property construction activity under s.
18 77.51 (2).

19 **SECTION 48.** 77.52 (6) of the statutes is repealed.

20 **SECTION 49.** 77.52 (7) of the statutes is amended to read:

21 77.52 (7) Every person desiring to operate as a seller within this state who
22 holds a valid certificate under s. 73.03 (50) shall file with the department an
23 application for a permit for each place of operations. Every application for a permit
24 shall be made upon a form prescribed by the department and shall set forth the name
25 under which the applicant intends to operate, the location of the applicant’s place of

1 operations, and the other information that the department requires. The Except as
 2 provided in sub. (7b), the application shall be signed by the owner if a sole proprietor;
 3 in the case of sellers other than sole proprietors, the application shall be signed by
 4 the person authorized to act on behalf of such sellers. A nonprofit organization that
 5 has ~~gross receipts~~ a sales price taxable under s. 77.54 (7m) shall obtain a seller's
 6 permit and pay taxes under this subchapter on all taxable ~~gross receipts~~ sales prices
 7 received after it is required to obtain that permit. If that organization becomes
 8 eligible later for the exemption under s. 77.54 (7m) except for its possession of a
 9 seller's permit, it may surrender that permit.

10 SECTION 50. 77.52 (7b) of the statutes is created to read:

11 77.52 (7b) Any person who may register under sub. (7) may designate ~~an~~
 12 ~~verified service provider~~ to register with the department under sub. (7), in the
 13 manner prescribed by the department. an agent, as defined in s. 77.524(1)(ag),

14 SECTION 51. 77.52 (13) of the statutes is amended to read:

15 77.52 (13) For the purpose of the proper administration of this section and to
 16 prevent evasion of the sales tax it shall be presumed that all receipts are subject to
 17 the tax until the contrary is established. The burden of proving that a sale of tangible
 18 personal property or services is not a taxable sale at retail is upon the person who
 19 makes the sale unless that person takes from the purchaser a certificate or obtains
 20 ~~from the purchaser any information that is~~ prescribed by ~~the~~ department, to the
 21 effect that the property or service is purchased for resale or is otherwise exempt,
 22 except that no certificate is required for sales of cattle, sheep, goats, and pigs that are
 23 sold at a livestock market, as defined in s. 95.68 (1) (e) [s. 95.68 (1) (ag)], and no
 24 certificate is required for sales of commodities, as defined in 7 USC 2, that are
 25 consigned for sale in a warehouse in or from which the commodity is deliverable on

an electronic or paper

except as provided in s. 77.54 under (30)(e)

1 a contract for future delivery subject to the rules of a commodity market regulated
2 by the U.S. commodity futures trading commission if upon the sale the commodity
3 is not removed from the warehouse the sale of tangible personal property that is
4 exempt under s. 77.54 (7), (11), (14), (15), (17), (20n), (21), (22b), (30), (32), (42), and
5 (44). This subsection does not apply to candy, soft drinks, and prepared food; or to
6 disposable products that are transferred with candy, soft drinks, and prepared food;
7 that a restaurant provides to the restaurant's employees during the work hours of
8 the employees.

9 SECTION 52. 77.52 (14) (a) (intro.) and 1. and (b) of the statutes are consolidated,
10 renumbered 77.52 (14) and amended to read:

11 77.52 (14) The certificate referred to in ~~or information prescribed by rule by the~~
12 ~~department under~~ sub. (13) relieves the seller from the burden of proof only if any
13 of the following is true: 1. The certificate or information is taken in good faith
14 from a person who is engaged as a seller of tangible personal property or taxable
15 services and who holds the permit provided for in sub. (9) and who, at the time of
16 purchasing that the person purchases the tangible personal property or services,
17 intends to sell it in the regular course of operations or is unable to ascertain at the
18 time of purchase whether the property or service will be sold or will be used for some

19 other purpose. (b). The certificate or information prescribed by rule by the
20 department under sub. (13) shall not relieve the seller of the burden of proof if the
21 seller fraudulently fails to collect sales tax or solicits the purchaser to claim an

22 unlawful exemption. The certificate referred to in sub. (13) shall be signed by and
23 bear the name and address of provide information that identifies the purchaser, and
24 shall indicate the general character of the tangible personal property or service sold

and a paper certificate shall be signed by the purchaser

1 by the purchaser and the basis for the claimed exemption. The certificate shall be
2 in such form as the department prescribes by rule.

3 SECTION 53. 77.52 (14) (a) 2. of the statutes is repealed.

4 SECTION 54. 77.52 (15) of the statutes is amended to read:

5 77.52 (15) If a purchaser who gives a resale certificate purchases tangible
6 personal property or taxable services without paying a sales tax or use tax on such
7 purchase because such property or services were for resale makes any use of the
8 property or services other than retention, demonstration or display while holding it
9 the property or services for sale, lease or rental in the regular course of the
10 purchaser's operations, the use shall be taxable to the purchaser under s. 77.53 as
11 of the time that the property is or services are first used by the purchaser, and the
12 sales purchase price of the property or services to the purchaser shall be the measure
13 of the tax. Only when there is an unsatisfied use tax liability on this basis because
14 the seller has provided incorrect information about that transaction to the
15 department shall the seller be liable for sales tax with respect to the sale of the

16 property to the purchaser. This subsection does not apply to the sale of tangible
17 personal property that is exempt under s. 77.54 (7), (11), (14), (15), (17), (20n), (21),
18 (22b), (30), (32), (42), and (44). This subsection does not apply to candy, soft drinks,
19 and prepared food; or to disposable products that are transferred with candy, soft
20 drinks, and prepared food; that a restaurant provides to the restaurant's employees
21 during the work hours of the employees.

22 SECTION 55. 77.522 of the statutes is created to read:

GENERAL (5)

23 77.522 Sourcing. (1) SALES (a) In this section:

24 1. "Direct mail form" means a form prescribed by the department.

Except as provided under s. 77.54(30)(e),

1 2. “Multiple-points-of-use exemption form” means the
2 multiple-points-of-use exemption form, as prescribed by the department.

3 3. “Product” includes tangible personal property, digital goods, and services.

4 4. “Receive” means taking possession of tangible personal property; making
5 first use of services; or taking possession or making first use of digital goods,
6 whichever comes first. “Receive” does not include a shipping company taking
7 possession of tangible personal property on a purchaser’s behalf.

8 5. “Transportation equipment” means all of the following:

9 a. Locomotives and railcars that are used to carry persons or property in
10 interstate commerce.

11 b. Trucks and truck tractors that have a gross vehicle weight rating of 10,001
12 pounds or greater, trailers, semitrailers, and passenger buses, if such vehicles are
13 registered under the International Registration Plan and operated under the
14 authority of a carrier that is authorized by the federal government to carry persons
15 or property in interstate commerce.

16 c. Aircraft that is operated by air carriers that are authorized by the federal
17 government or a foreign authority to carry persons or property in interstate
18 commerce.

19 d. Containers that are designed for use on the vehicles described in subd. 5. a.
20 to c. and component parts attached to or secured on such vehicles.

21 (b) Except as provided in pars. (c) to ^d(e) and subs. (2), ~~and~~ (3), ^{and (4),} the location of a
22 sale is determined as follows:

23 1. If a purchaser receives the product at a seller’s business location, the sale
24 occurs at that business location.

1 2. If a purchaser does not receive the product at a seller's business location, the
2 sale occurs at the location where the purchaser, or the purchaser's designated donee,
3 receives the product, including the location indicated by the instructions known to
4 the seller for delivery to the purchaser or the purchaser's designated donee.

5 3. If the location of a sale cannot be determined under subds. 1. and 2., the sale
6 occurs at the purchaser's address as indicated by the seller's business records, if the
7 records are maintained in the ordinary course of the seller's business and if using
8 that address to establish the location of a sale is not in bad faith.

9 4. If the location of a sale cannot be determined under subds. 1. to 3., the sale
10 occurs at the purchaser's address as obtained during the consummation of the sale,
11 including the address indicated on the purchaser's payment instrument, if no other
12 address is available and if using that address is not in bad faith.

13 5. If the location of a sale cannot be determined under subds. 1. to 4., the
14 location of the sale is determined as follows:

15 a. If the item sold is tangible personal property, the sale occurs at the location
16 from which the tangible personal property is shipped.

17 b. If the item sold is a digital good[✓], or computer software ~~and such good or~~
18 ~~software is~~ delivered electronically, the sale occurs at the location from which the
19 digital good or computer software was first available for transmission[✓] by the seller.

20 c. If a service, other than a digital service, is sold, the sale occurs at the location
21 from which the service was provided.

22 (c) The sale of direct mail occurs at the location from which the direct mail is
23 shipped, if the purchaser does not provide to the seller a direct pay permit, a direct
24 mail form, or other information that indicates the appropriate taxing jurisdiction to
25 which the direct mail is delivered to the ultimate recipients. If the purchaser

1 provides a direct mail form to the seller, the purchaser shall pay or remit, as
2 appropriate, to the department the tax imposed under s. 77.53 (1) on all purchases
3 for which the tax is due and the seller is relieved from liability for collecting such tax.

4 (d) 1. If the service, digital good, or computer software is delivered
5 electronically, a business purchaser who purchases a service, digital good, or
6 computer software who does not hold a direct pay permit under s. 77.52 (17m), and
7 who knows at the time that the purchaser purchases such service, good, or software
8 that the service, good, or software will be concurrently available for use in more than
9 one taxing jurisdiction shall provide a multiple-points-of-use exemption form to the
10 seller, in conjunction with the purchase, and shall pay or remit, as appropriate, to the
11 department the tax imposed under s. 77.53 (1) on all purchases for which the tax is
12 due.

13 2. To apportion the amount of the tax due multiple taxing jurisdictions, a
14 purchaser who provides an exemption form under subd. 1. shall use any reasonable,
15 consistent, and uniform apportionment method supported by the purchaser's
16 business records that exist at the time of the sale.

17 3. An exemption form provided under subd. 1. shall remain effective for all sales
18 by the seller who received the form to the purchaser who provided the form, unless
19 the purchaser revokes the form in writing and provides such a revocation to the
20 seller.

21 4. If the service, digital good, or computer software is delivered electronically,
22 a business purchaser who purchases a service, digital good, or computer software,
23 who holds a direct pay permit under s. 77.52 (17m), and who knows at the time that
24 the purchaser purchases such service, good, or software that the service, good, or
25 software will be concurrently available for use in more than one taxing jurisdiction

1 is not required to provide a multiple-points-of-use exemption form to the seller, but
2 shall collect, pay, or remit, as appropriate, to the department the tax imposed under
3 s. 77.53 (1) and shall use the apportionment method described under par. (b) to
4 apportion the tax due multiple taxing jurisdictions.

5 5. A seller who receives a multiple-points-of-use exemption form under this
6 paragraph is relieved from liability for collecting the tax imposed under s. 77.53 (1)
7 on purchases related to the multiple-points-of-use exemption form.

MOVE
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8 ~~(4)~~ ^{(4) (b) WHEN A SALE OCCURS.} A sale or purchase involving transfer of ownership of property is completed
9 at the time when possession is transferred by the seller or the seller's agent to the
10 purchaser or the purchaser's agent, except that for purposes of ~~this subsection~~ ^{sub. (1)} a
11 common carrier or the U.S. postal service shall be ~~deemed~~ ^{considered} the agent of the seller,
12 regardless of any f.o.b. point and regardless of the method by which freight or postage
13 is paid.

14 (2) LEASE OR RENTAL. (a) Except as provided in pars. (b) and (c), with regards
15 to the first or only payment on the lease or rental, the lease or rental of tangible
16 personal property occurs at the location determined under sub. (1) (b) 1. If the
17 property is moved from the place where the property was initially delivered, the
18 subsequent periodic payments on the lease or rental occur at the property's primary
19 location as indicated by an address for the property that is provided by the lessee and
20 that is available to the lessor in records that the lessor maintains in the ordinary
21 course of the lessor's business, if the use of such an address does not constitute bad
22 faith. The location of a lease or rental as determined under this paragraph shall not
23 be altered by any intermittent use of the property at different locations.

24 (b) The lease or rental of motor vehicles, semitrailers, and aircraft, that are not
25 transportation equipment, occurs at the primary location of such motor vehicles,

1 semitrailers, or aircraft as indicated by an address for the property that is provided
 2 by the lessee and that is available to the lessor in records that the lessor maintains
 3 in the ordinary course of the lessor's business, if the use of such an address does not
 4 constitute bad faith. The location of a lease or rental as determined under this
 5 paragraph shall not be altered by any intermittent use of the property at different
 6 locations.

7 (c) The lease or rental of transportation equipment occurs at the location
 8 determined under sub. (1) (b) 1.

9 (3) TELECOMMUNICATIONS. (a) In this subsection:

10 1. "Air-to-ground radiotelephone service" means a radio service in which
 11 common carriers are authorized to offer and provide radio telecommunications
 12 service for hire to subscribers in aircraft.

13 2. "Call-by-call basis" means any method of charging for telecommunications
 14 services by which the price of such services is measured by individual calls.

15 ⁵ 3. "Customer channel termination point" means the location ~~from which~~ a
 16 customer inputs or receives communications. *where*

17 ³ 4. "Communications channel" means a physical or virtual path of
 18 communications over which signals are transmitted between or among customer
 19 channel termination points.

20 ⁴ 5. "Customer" means a person who enters into a contract with a seller of
 21 telecommunications services or, in any transaction for which the end user is not the
 22 person who entered into a contract with the seller of telecommunications services,
 23 the end user of the telecommunications services. "Customer" does not include a
 24 person who resells telecommunications services.

25 6. "End user" means an individual who uses a telecommunications service.

or, for mobile telecommunications services, a serving carrier under an agreement to serve a customer outside the home service provider's licensed service area

7. "Home service provider" means a home service provider under section 124(5) of P.L. 106-252.

8. "Mobile telecommunications service" means a mobile telecommunications service under 4 USC 116 to 126, as amended by P.L. 106-252.

9. "Place of primary use" means place of primary use, as determined under 4 USC 116 to 126, as amended by P.L. 106-252.

10. "Postpaid calling service" means a telecommunications service that is obtained by paying for it on a call-by-call basis using a bankcard, travel card, credit card, debit card, or similar method, or by charging it to a telephone number that is not associated with the location where the telecommunications service originates or terminates. "Postpaid calling service" includes a service that would otherwise be a prepaid calling service except that the service provided to the customer is not exclusively a telecommunications service.

11. "Prepaid calling service" means the right to access services that are exclusively telecommunications services ^{if that right is} paid for in advance of providing such services ^{of that nature requires} using an access number or authorization code to originate calls ^{and that are} sold in predetermined units or dollars that decrease with use in a known amount. ^{is}

****NOTE: The last sentence refers to "units or dollars that decrease with use in a known amount." Known by whom?

12. "Private communication service" means a telecommunications service that entitles the customer to exclusive or priority use of a communications channel or group of communications channels between or among termination points, regardless of the manner in which the communications channel or group of communications channels is connected, and includes switching capacity, extension lines, stations, and other associated services that are provided in connection with the use of such channel or channels.

1 ¹³ 12. "Radio service" means a communication service provided by the use of radio,
2 including radiotelephone, radiotelegraph, paging, and facsimile service.

3 ¹⁴ 13. "Radiotelegraph service" means transmitting messages from one place to
4 another by means of radio.

5 ¹⁵ 14. "Radiotelephone service" means transmitting sound from one place to
6 another by means of radio.

7 ~~15. "Service address" means any of the following:~~

8 ~~a. The location of the telecommunications equipment to which a customer's call~~
9 ~~is charged and from which the call originates or terminates, regardless of where the~~
10 ~~call is billed or paid.~~

11 ~~b. If the location described under subd. 15. a. cannot be determined, the location~~
12 ~~where the signal of the telecommunications service originates, as identified by the~~
13 ~~seller's telecommunications system or, if the signal is not transmitted from the~~
14 ~~seller's telecommunications system, by information that the seller received from the~~
15 ~~seller's service provider.~~

16 ~~c. If the location described under subd. 15. a. and b., cannot be determined, the~~
17 ~~customer's place of primary use.~~

18 (b) Except as provided in pars. (d) to (g), the sale of a telecommunications
19 service that is sold on a call-by-call basis occurs in the taxing jurisdiction for sales
20 and use tax purposes where the call originates and terminates, in the case of a call
21 that originates and terminates in the same such jurisdiction, or the taxing
22 jurisdiction for sales and use tax purposes where the call originates or terminates
23 and where the service address is located.

1 (c) Except as provided in pars. (d) to (g), the sale of a telecommunications
2 service that is sold on a basis other than a call-by-call basis occurs at the customer's
3 place of primary use.

4 (d) The sale of a mobile telecommunications service, except an air-to-ground
5 radiotelephone service and a prepaid calling service, occurs at the customer's place
6 of primary use.

7 (e) The sale of a postpaid calling service occurs at the location where the signal
8 of the telecommunications service originates, as first identified by the seller's
9 telecommunications system or, if the signal is not transmitted ~~from~~ ^{by} the seller's
10 telecommunications system, by information that the seller received from the seller's
11 service provider.

12 (f) The sale of a prepaid calling service occurs at the location determined under
13 sub. (1) (b) 1. ^{except that} ~~or~~ if the service is a mobile telecommunications service, ~~the location~~
14 ~~associated with the mobile telephone number, if the location cannot be determined~~ ^{and}
15 under sub. (1) (b) 1. to 4. ✓

16 (g) 1. The sale of a private communication service for a separate charge related
17 to a customer channel termination point occurs at the location of the customer
18 channel termination point.

19 2. The sale of a private communication service in which all customer channel
20 termination points are located entirely in one taxing jurisdiction for sales and use
21 tax purposes occurs in the taxing jurisdiction in which the customer channel
22 termination points are located.

23 3. If the segments are charged separately, the sale of a private communication
24 service that represents segments of a communications channel between 2 customer

the prepaid calling service occurs at the location determined under sub. (1)(b) 5. or at the location associated with the mobile telephone number, as determined by the seller.

1 channel termination points that are located in different taxing jurisdictions for sales
2 and use tax purposes occurs in an equal percentage in both such jurisdictions.

3 4. If the segments are not charged separately, the sale of a private
4 communication service for segments of a communications channel that is located in
5 more than one taxing jurisdiction for sales and use tax purposes occurs in each such
6 jurisdiction in a percentage determined by dividing the number of customer channel
7 termination points in that jurisdiction by the number of customer channel
8 termination points in all jurisdictions where segments of the communications
9 channel are located.

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10 **SECTION 56.** 77.523 (title) of the statutes is repealed.

11 **SECTION 57.** 77.523 of the statutes is renumbered 77.59 (9p) (a) and amended

12 to read:

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13 77.59 (9p) (a) If a customer purchases a service that is subject to 4 USC 116
14 to 126, as amended by P.L. 106-252, and if the customer believes that the amount
15 of the tax assessed for the service under this subchapter or the place of primary use
16 or taxing jurisdiction assigned to the service is erroneous, the customer may request
17 that the service provider correct the alleged error by sending a written notice to the
18 service provider. The notice shall include a description of the alleged error, the street
19 address for the customer's place of primary use of the service, the account name and
20 number of the service for which the customer seeks a correction, and any other
21 information that the service provider reasonably requires to process the request.
22 Within 60 days from the date that a service provider receives a request under this
23 section paragraph, the service provider shall review its records to determine the
24 customer's taxing jurisdiction. If the review indicates that there is no error as
25 alleged, the service provider shall explain the findings of the review in writing to the

1 customer. If the review indicates that there is an error as alleged, the service
 2 provider shall correct the error and shall refund or credit the amount of any tax
 3 collected erroneously, along with the related interest, as a result of the error from the
 4 customer in the previous 48 months, consistent with s. 77.59 (4). A customer may
 5 take no other action, or commence any action, to correct an alleged error in the
 6 amount of the tax assessed under this subchapter on a service that is subject to 4 USC
 7 116 to 126, as amended by P.L. 106-252, or to correct an alleged error in the assigned
 8 place of primary use or taxing jurisdiction, unless the customer has exhausted his
 9 or her remedies under this section paragraph.

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10 SECTION 58. 77.524 (1) (b) of the statutes is renumbered 77.51 (1g).

11 SECTION 59. 77.53 (1) of the statutes is amended to read:

12 77.53 (1) Except as provided in sub. (1m), an excise tax is levied and imposed
 13 on the use or consumption in this state of coins, stamps, leased property, and taxable
 14 services under s. 77.52 purchased from any retailer, at the rate of 5% of the sales
 15 purchase price of these such coins, stamps, leased property, and services; on the
 16 storage, use or other consumption in this state of tangible personal property
 17 purchased from any retailer, at the rate of 5% of the sales purchase price of that
 18 property; and on the storage, use or other consumption of tangible personal property
 19 manufactured, processed or otherwise altered, in or outside this state, by the person
 20 who stores, uses or consumes it, from material purchased from any retailer, at the
 21 rate of 5% of the sales purchase price of that material.

22 SECTION 60. 77.53 (4) of the statutes is repealed.

23 SECTION 61. 77.53 (9) of the statutes is amended to read:

24 77.53 (9) Every retailer selling tangible personal property or taxable services
 25 for storage, use or other consumption in this state shall register with the department

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an agent, as defined in s. 77.524(1)(ag),

1 and obtain a certificate under s. 73.03 (50) and give the name and address of all
 2 agents operating in this state, the location of all distribution or sales houses or offices
 3 or other places of business in this state, the standard industrial code classification
 4 of each place of business in this state and the other information that the department
 5 requires. Any person who may register under this subsection may designate
 6 ~~certified service provider~~ to register with the department under this subsection, in
 7 the manner prescribed by the department.

~~SECTION 62. 77.53 (9m) of the statutes is amended to read:~~

9 77.53 (9m) Any person who is not otherwise required to collect any tax imposed
 10 by this subchapter and who makes sales to persons within this state of tangible
 11 personal property or taxable services the use of which is subject to tax under this
 12 subchapter may register with the department under the terms and conditions that
 13 the department imposes and shall obtain a valid certificate under s. 73.03 (50) and
 14 thereby be authorized and required to collect, report and remit to the department the
 15 use tax imposed by this subchapter. Any person who may register under this
 16 subsection may designate a certified service provider to register with the department
 17 under this subsection, in the manner prescribed by the department.

SECTION 63. 77.53 (10) of the statutes is amended to read:

18 77.53 (10) For the purpose of the proper administration of this section and to
 19 prevent evasion of the use tax and the duty to collect the use tax, it is presumed that
 20 tangible personal property or taxable services sold by any person for delivery in this
 21 state is sold for storage, use, or other consumption in this state until the contrary is
 22 established. The burden of proving the contrary is upon the person who makes the
 23 sale unless that person takes from the purchaser a certificate or obtains from the
 24 purchaser any information that is prescribed by department, to the effect that
 25 as

an electronic or paper

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35*
except as provided under (30)(e)

1 the property or taxable service is purchased for resale, or otherwise exempt from the
2 tax; ~~except that no certificate is required for sales of cattle, sheep, goats, and pigs~~
3 ~~that are sold at a livestock market, as defined in s. 95.68 (1) (e), and no certificate is~~
4 ~~required for sales of commodities, as defined in 7 USC 2, that are consigned for sale~~
5 ~~in a warehouse in or from which the commodity is deliverable on a contract for future~~
6 ~~delivery subject to the rules of a commodity market regulated by the U.S. commodity~~
7 ~~futures trading commission if upon the sale the commodity is not removed from the~~
8 ~~warehouse~~ the sale of tangible personal property that is exempt under s. 77.54 (7),

9 (11), (14), (15), (17), (20n), (21), (22b), (30), (32), (42), and (44) This subsection does
10 not apply to candy, soft drinks, and prepared food; or to disposable products that are
11 transferred with candy, soft drinks, and prepared food; that a restaurant provides to
12 the restaurant's employees during the work hours of the employees.

SECTION 64. 77.53 (11) of the statutes is amended to read:

14 77.53 (11) The certificate ~~referred to in~~ *reverts* ~~or information prescribed by rule by the~~
15 ~~department under~~ sub. (10) relieves the person selling the property or service from
16 the burden of proof only if taken in good faith from a person who is engaged as a seller
17 of tangible personal property or taxable services and who holds the permit provided
18 for by s. 77.52 (9) and who, at the time of purchasing that the person purchases the
19 tangible personal property or taxable service, intends to sell it in the regular course
20 of operations or is unable to ascertain at the time of purchase whether the property
21 or service will be sold or will be used for some other purpose, or if taken in good faith
22 from a person claiming exemption. The certificate or information prescribed by rule
23 by the department under sub. (10) shall not relieve the seller of the burden of proof
24 if the seller fraudulently fails to collect sales tax or solicit the purchaser to claim an
25 unlawful exemption. The certificate shall be signed by and bear the name and

1 ~~address of provide information that identifies~~ the purchaser and shall indicate the
2 ~~number of the permit issued to the purchaser, the general character of tangible~~
3 ~~personal property or taxable service sold by the purchaser and the basis for the~~
4 ~~claimed exemption.~~ The certificate shall be substantially in the form that the
5 department prescribes. and a paper certificate shall be signed
6 by the purchaser

6 **SECTION 65.** 77.53 (16) of the statutes is amended to read:

7 77.53 (16) If the purchase, rental or lease of tangible personal property or
8 service subject to the tax imposed by this section was subject to a sales tax by another
9 state in which the purchase was made, the amount of sales tax paid the other state
10 shall be applied as a credit against and deducted from the tax, to the extent thereof,
11 imposed by this section, except no credit may be applied against and deducted from
12 a sales tax paid on the purchase of direct mail, if the direct mail purchaser did not
13 provide to the seller a direct pay permit, a direct mail form, or other information that
14 indicates the appropriate taxing jurisdiction to which the direct mail is delivered to
15 the ultimate recipients. In this subsection "sales tax" includes a use or excise tax
16 imposed on the use of tangible personal property or taxable service by the state in
17 which the sale occurred and "state" includes the District of Columbia but does not
18 include the commonwealth of Puerto Rico or the several territories organized by
19 congress.

20 **SECTION 66.** 77.53 (17) of the statutes is amended to read:

21 77.53 (17) This section does not apply to tangible personal property purchased
22 outside this state, as determined under s. 77.522, other than motor vehicles, boats,
23 snowmobiles, mobile homes not exceeding 45 feet in length, trailers, semitrailers,
24 all-terrain vehicles and airplanes registered or titled or required to be registered or
25 titled in this state, which is brought into this state by a nondomiciliary for the

1 person's own storage, use or other consumption while temporarily within this state
2 when such property is not stored, used or otherwise consumed in this state in the
3 conduct of a trade, occupation, business or profession or in the performance of
4 personal services for wages or fees.

5 **SECTION 67.** 77.53 (17m) of the statutes is amended to read:

6 77.53 (17m) This section does not apply to a boat purchased in a state
7 contiguous to this state, as determined under s. 77.522, by a person domiciled in that
8 state if the boat is berthed in this state's boundary waters adjacent to the state of the
9 domicile of the purchaser and if the transaction was an exempt occasional sale under
10 the laws of the state in which the purchase was made.

11 **SECTION 68.** 77.53 (17r) (a) of the statutes is amended to read:

12 77.53 (17r) (a) It is purchased in another state, as determined under s. 77.522.

13 **SECTION 69.** 77.53 (18) of the statutes is amended to read:

14 77.53 (18) This section does not apply to the storage, use or other consumption
15 in this state of household goods for personal use or to aircraft, motor vehicles, boats,
16 snowmobiles, mobile homes, trailers, semitrailers and all-terrain vehicles, for
17 personal use, purchased by a nondomiciliary of this state outside this state, as
18 determined under s. 77.522, 90 days or more before bringing the goods or property
19 into this state in connection with a change of domicile to this state.

20 **SECTION 70.** 77.54 (1) of the statutes is amended to read:

21 77.54 (1) The ~~gross receipts~~ sales price from the sale of and the storage, use or
22 other consumption in this state of tangible personal property and services the ~~gross~~
23 ~~receipts~~ sales price from the sale of which, or the storage, use or other consumption
24 of which, this state is prohibited from taxing under the constitution or laws of the
25 United States or under the constitution of this state.

1 **SECTION 71.** 77.54 (2) of the statutes is amended to read:

2 77.54 (2) The ~~gross receipts~~ sales price from sales of and the storage, use or
3 other consumption of tangible personal property becoming an ingredient or
4 component part of an article of tangible personal property or which is consumed or
5 destroyed or loses its identity in the manufacture of tangible personal property in
6 any form destined for sale, but this exemption shall not include fuel or electricity.

7 **SECTION 72.** 77.54 (2m) of the statutes is amended to read:

8 77.54 (2m) The ~~gross receipts~~ sales price from the sales of and the storage, use
9 or other consumption of tangible personal property or services that become an
10 ingredient or component of shoppers guides, newspapers or periodicals or that are
11 consumed or lose their identity in the manufacture of shoppers guides, newspapers
12 or periodicals, whether or not the shoppers guides, newspapers or periodicals are
13 transferred without charge to the recipient. In this subsection, “shoppers guides”,
14 “newspapers” and “periodicals” have the meanings under sub. (15). The exemption
15 under this subdivision does not apply to advertising supplements that are not
16 newspapers.

17 **SECTION 73.** 77.54 (3) (a) of the statutes is amended to read:

18 77.54 (3) (a) The ~~gross receipts~~ sales price from the sales of and the storage, use
19 or other consumption of tractors and machines, including accessories, attachments
20 and parts therefor, used exclusively and directly in the business of farming, including
21 dairy farming, agriculture, horticulture, floriculture and custom farming services,
22 but excluding automobiles, trucks, and other motor vehicles for highway use;
23 excluding personal property that is attached to, fastened to, connected to or built into
24 real property or that becomes an addition to, component of or capital improvement
25 of real property and excluding tangible personal property used or consumed in the

1 erection of buildings or in the alteration, repair or improvement of real property,
2 regardless of any contribution that ~~that~~^{the} personal property makes to the production
3 process in that building or real property and regardless of the extent to which that
4 personal property functions as a machine.

5 **SECTION 74.** 77.54 (3m) (intro.) of the statutes is amended to read:

6 77.54 (3m) (intro.) The ~~gross receipts~~ sales price from the sale of and the
7 storage, use or other consumption of the following items if they are used exclusively
8 by the purchaser or user in the business of farming; including dairy farming,
9 agriculture, horticulture, floriculture and custom farming services:

10 **SECTION 75.** 77.54 (4) of the statutes is amended to read:

11 77.54 (4) ~~Gross receipts~~ The sales price from the sale of tangible personal
12 property, and the storage, use or other consumption in this state of tangible personal
13 property which is the subject of any such sale, by any elementary school or secondary
14 school, exempted as such from payment of income or franchise tax under ch. 71,
15 whether public or private.

16 **SECTION 76.** 77.54 (5) (intro.) of the statutes is amended to read:

17 77.54 (5) (intro.) The ~~gross receipts~~ sales price from the sale of and the storage,
18 use or other consumption of:

19 **SECTION 77.** 77.54 (6) (intro.) of the statutes is amended to read:

20 77.54 (6) (intro.) The ~~gross receipts~~ sales price from the sale of and the storage,
21 use or other consumption of:

22 **SECTION 78.** 77.54 (8) of the statutes is amended to read:

23 77.54 (8) Charges for ~~interest, financing or~~ insurance where such charges are
24 separately set forth upon the invoice given by the seller to the purchaser.

25 **SECTION 79.** 77.54 (9) of the statutes is amended to read:

1 77.54 (9) The ~~gross receipts~~ sales price from sales of tickets or admissions to
2 public and private elementary and secondary school activities, where the entire net
3 proceeds therefrom are expended for educational, religious or charitable purposes.

4 **SECTION 80.** 77.54 (9a) (intro.) of the statutes is amended to read:

5 77.54 (9a) (intro.) The ~~gross receipts~~ sales price from sales to, and the storage
6 by, use by or other consumption of tangible personal property and taxable services
7 by:

8 **SECTION 81.** 77.54 (10) of the statutes is amended to read:

9 77.54 (10) The ~~gross receipts~~ sales price from the sale of all admission fees,
10 admission stickers or camping fees under s. 27.01 (7) to (11) and all admission fees
11 to any museum operated by a nonprofit corporation under a lease agreement with
12 the state historical society.

13 **SECTION 82.** 77.54 (11) of the statutes is amended to read:

14 77.54 (11) The ~~gross receipts~~ sales price from the sales of and the storage, use
15 or other consumption in this state of motor vehicle fuel, general aviation fuel or
16 alternate fuel, subject to taxation under ch. 78, unless the motor vehicle fuel or
17 alternate fuel tax is refunded under s. 78.75 because the buyer does not use the fuel
18 in operating a motor vehicle upon the public highways.

19 **SECTION 83.** 77.54 (12) of the statutes is amended to read:

20 77.54 (12) The ~~gross receipts~~ sales price from the sales of and the storage, use
21 or other consumption in this state of rail freight or passenger cars, locomotives or
22 other rolling stock used in railroad operations, or accessories, attachments, parts,
23 lubricants or fuel therefor.

24 **SECTION 84.** 77.54 (13) of the statutes is amended to read:

1 77.54 (13) The ~~gross receipts~~ sales price from the sales of and the storage, use
2 or other consumption in this state of commercial vessels and barges of 50-ton burden
3 or over primarily engaged in interstate or foreign commerce or commercial fishing,
4 and the accessories, attachments, parts and fuel therefor.

5 **SECTION 85.** 77.54 (14) (intro.) of the statutes is amended to read:

6 77.54 (14) (intro.) The gross receipts from the sales of and the storage, use, or
7 other consumption in this state of ~~medicines~~ drugs that are any of the following:

8 **SECTION 86.** 77.54 (14) (a) of the statutes is amended to read:

9 77.54 (14) (a) Prescribed for the treatment of a human being by a person
10 authorized to prescribe the ~~medicines~~ drugs, and dispensed on prescription filled by
11 a registered pharmacist in accordance with law.

12 **SECTION 87.** 77.54 (14) (b) of the statutes is amended to read:

13 77.54 (14) (b) Furnished by a licensed physician, surgeon, podiatrist, or dentist
14 to a patient who is a human being for treatment of the patient.

15 **SECTION 88.** 77.54 (14) (f) of the statutes is amended to read:

16 77.54 (14) (f) Furnished without charge to a physician, surgeon, nurse
17 anesthetist, advanced practice nurse, osteopath, dentist who is licensed under ch.
18 447, podiatrist who is licensed under ch. 448, or optometrist who is licensed under
19 ch. 449 if the ~~medicaine~~ drug may not be dispensed without a prescription.

20 **SECTION 89.** 77.54 (14g) of the statutes is repealed.

21 **SECTION 90.** 77.54 (14s) of the statutes is repealed.

22 **SECTION 91.** 77.54 (15) of the statutes is amended to read:

23 77.54 (15) The ~~gross receipts~~ sales price from the sale of and the storage, use
24 or other consumption of all newspapers, of periodicals sold by subscription and
25 regularly issued at average intervals not exceeding 3 months, or issued at average

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1 intervals not exceeding 6 months by an educational association or corporation sales
2 to which are exempt under sub. (9a) (f), of controlled circulation publications sold to
3 commercial publishers for distribution without charge or mainly without charge or
4 regularly distributed by or on behalf of publishers without charge or mainly without
5 charge to the recipient and of shoppers guides which distribute no less than 48 issues
6 in a 12-month period. In this subsection, “shoppers guide” means a community
7 publication delivered, or attempted to be delivered, to most of the households in its
8 coverage area without a required subscription fee, which advertises a broad range
9 of products and services offered by several types of businesses and individuals. In
10 this subsection, “controlled circulation publication” means a publication that has at
11 least 24 pages, is issued at regular intervals not exceeding 3 months, that devotes
12 not more than 75% of its pages to advertising and that is not conducted as an
13 auxiliary to, and essentially for the advancement of, the main business or calling of
14 the person that owns and controls it.

15 **SECTION 92.** 77.54 (16) of the statutes is amended to read:

16 77.54 (16) The ~~gross receipts~~ sales price from the sale of and the storage, use
17 or other consumption of fire trucks and fire fighting equipment, including
18 accessories, attachments, parts and supplies therefor, sold to volunteer fire
19 departments.

20 **SECTION 93.** 77.54 (17) of the statutes is amended to read:

21 77.54 (17) The ~~gross receipts~~ sales price from the sales of and the storage, use
22 or other consumption of water when delivered through mains.

23 **SECTION 94.** 77.54 (18) of the statutes is amended to read:

24 77.54 (18) When the sale, lease or rental of a service or property that was
25 previously exempt or not taxable under this subchapter becomes taxable, and the

1 service or property is furnished under a written contract by which the seller is
2 unconditionally obligated to provide the service or property for the amount fixed
3 under the contract, the seller is exempt from sales or use tax on the ~~gross receipts~~
4 sales price for services or property provided until the contract is terminated,
5 extended, renewed or modified. However, from the time the service or property
6 becomes taxable until the contract is terminated, extended, renewed or modified the
7 user is subject to use tax, measured by the sales purchase price, on the service or
8 property purchased under the contract.

9 SECTION 95. 77.54 (20) of the statutes is repealed.

10 SECTION 96. 77.54 (20m) of the statutes is repealed.

11 SECTION 97. 77.54 (20n) of the statutes is created to read:

12 77.54 (20n) (a) The sales price from the sale of and the storage, use, or other
13 consumption of food and food ingredients, except candy, soft drinks, dietary
14 supplements, and prepared food.

15 (b) The sales price from the sale of and the storage, use, or other consumption
16 of ~~prepared food~~ sold by hospitals, sanatoriums, nursing homes, retirement homes,
17 community-based residential facilities, as defined in s. 50.01 (1g), or day care centers
18 registered under ch. 48, including prepared food that is sold to the elderly or
19 handicapped by persons providing mobile meals on wheels. In this paragraph,
20 "retirement home" means a nonprofit residential facility where 3 or more unrelated
21 adults or their spouses have their principal residence and where support services,
22 including meals from a common kitchen, are available to residents.

23 (c) The sales price from the sale of and the storage, use, or other consumption
24 of food and food ingredients, furnished in accordance with any contract or agreement
25 or paid for to such institution through the use of an account of such institution, by

food and food ingredients, except soft drinks,

1 a public or private institution of higher education to an undergraduate student, a
2 graduate student, or a student enrolled in a professional school if the student is
3 enrolled for credit at that institution and if the food and food ingredients are
4 consumed by that student.

5 (d) The sales price from the sale of and the storage, use, or other consumption
6 of food and food ingredients furnished to a national football league team under a
7 contract or agreement.

8 **SECTION 98.** 77.54 (21) of the statutes is amended to read:

9 77.54 (21) The ~~gross receipts~~ sales price from the sales of and the storage, use
10 or other consumption of caskets and burial vaults for human remains.

11 **SECTION 99.** 77.54 (22) of the statutes is repealed.

12 **SECTION 100.** 77.54 (22b) of the statutes is created to read:

13 77.54 (22b) The sales price from the sale of and the storage, use, or other
14 consumption of durable medical equipment, mobility-enhancing equipment, and
15 prosthetic devices.

16 **SECTION 101.** 77.54 (23m) of the statutes is amended to read:

17 77.54 (23m) The ~~gross receipts~~ sales price from the sale, lease or rental of or
18 the storage, use or other consumption of motion picture film or tape, and advertising
19 materials related thereto, sold, leased or rented to a motion picture theater or radio
20 or television station.

21 **SECTION 102.** 77.54 (25) of the statutes is amended to read:

22 77.54 (25) The ~~gross receipts~~ sales price from the sale of and the storage of
23 printed material which is designed to advertise and promote the sale of merchandise,
24 or to advertise the services of individual business firms, which printed material is

1 purchased and stored for the purpose of subsequently transporting it outside the
2 state by the purchaser for use thereafter solely outside the state.

3 **SECTION 103.** 77.54 (26) of the statutes is amended to read:

4 77.54 (26) The ~~gross receipts~~ sales price from the sales of and the storage, use,
5 or other consumption of tangible personal property which becomes a component part
6 of an industrial waste treatment facility that is exempt under s. 70.11 (21) (a) or that
7 would be exempt under s. 70.11 (21) (a) if the property were taxable under ch. 70, or
8 tangible personal property which becomes a component part of a waste treatment
9 facility of this state or any agency thereof, or any political subdivision of the state or
10 agency thereof as provided in s. 40.02 (28). The exemption includes replacement
11 parts therefor, and also applies to chemicals and supplies used or consumed in
12 operating a waste treatment facility and to purchases of tangible personal property
13 made by construction contractors who transfer such property to their customers in
14 fulfillment of a real property construction activity. This exemption does not apply
15 to tangible personal property installed in fulfillment of a written construction
16 contract entered into, or a formal written bid made, prior to July 31, 1975.

17 **SECTION 104.** 77.54 (26m) of the statutes is amended to read:

18 77.54 (26m) The ~~gross receipts~~ sales price from the sale of and the storage, use
19 or other consumption of waste reduction or recycling machinery and equipment,
20 including parts therefor, exclusively and directly used for waste reduction or
21 recycling activities which reduce the amount of solid waste generated, reuse solid
22 waste, recycle solid waste, compost solid waste or recover energy from solid waste.
23 The exemption applies even though an economically useful end product results from
24 the use of the machinery and equipment. For the purposes of this subsection, “solid
25 waste” means garbage, refuse, sludge or other materials or articles, whether these

1 materials or articles are discarded or purchased, including solid, semisolid, liquid or
2 contained gaseous materials or articles resulting from industrial, commercial,
3 mining or agricultural operations or from domestic use or from public service
4 activities.

5 **SECTION 105.** 77.54 (27) of the statutes is amended to read:

6 77.54 (27) The ~~gross receipts~~ sales price from the sale of semen used for
7 artificial insemination of livestock.

8 **SECTION 106.** 77.54 (28) of the statutes is repealed.

9 **SECTION 107.** 77.54 (29) of the statutes is amended to read:

10 77.54 (29) The ~~gross receipts~~ sales price from the sales of and the storage, use
11 or other consumption of equipment used in the production of maple syrup.

12 **SECTION 108.** 77.54 (30) (a) (intro.) of the statutes is amended to read:

13 77.54 (30) (a) (intro.) The ~~gross receipts~~ sales price from the sale of:

14 **SECTION 109.** 77.54 (30) (c) of the statutes is amended to read:

15 77.54 (30) (c) If fuel or electricity is sold partly for a use exempt under this
16 subsection and partly for a use which is not exempt under this subsection, no tax
17 shall be collected on that percentage of the ~~gross receipts~~ sales price equal to the
18 percentage of the fuel or electricity which is used for an exempt use, as specified in
19 an exemption certificate provided by the purchaser to the seller.

20 **SECTION 110.** 77.54 (31) of the statutes is amended to read:

21 77.54 (31) The ~~gross receipts~~ sales price from the sale of and the storage, use
22 or other consumption in this state, but not the lease or rental, of used mobile homes
23 that are primary housing units under s. 340.01 (29).

24 **SECTION 111.** 77.54 (32) of the statutes is amended to read:

1 77.54 (32) The ~~gross receipts~~ sales price from charges, including charges for a
2 search, imposed by an authority, as defined in s. 19.32 (1), for copies of a public record
3 that a person may examine and use under s. 16.61 (12) or for copies of a record under
4 s. 19.35 (1).

5 **SECTION 112.** 77.54 (33) of the statutes is amended to read:

6 77.54 (33) The ~~gross receipts~~ sales price from sales of and the storage, use or
7 other consumption of ~~medicines~~ drugs used on farm livestock, not including
8 workstock.

9 **SECTION 113.** 77.54 (34) of the statutes is amended to read:

10 77.54 (34) The ~~gross receipts~~ sales price from the sale of and the storage, use
11 or other consumption of milk house supplies used exclusively in producing and
12 handling milk on dairy farms.

13 **SECTION 114.** 77.54 (35) of the statutes is amended to read:

14 77.54 (35) The ~~gross receipts~~ sales price from the sales of tangible personal
15 property, tickets or admissions by any baseball team affiliated with the Wisconsin
16 Department of American Legion baseball.

17 **SECTION 115.** 77.54 (36) of the statutes is amended to read:

18 77.54 (36) The ~~gross receipts~~ sales price from the rental for a continuous period
19 of one month or more of a mobile home, as defined in s. 66.0435 (1) (d), that is used
20 as a residence. In this subsection, “one month” means a calendar month or 30 days,
21 whichever is less, counting the first day of the rental and not counting the last day
22 of the rental.

23 **SECTION 116.** 77.54 (37) of the statutes is amended to read:

24 77.54 (37) The ~~gross receipts~~ sales price from revenues collected under s.
25 146.70 (3).