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1           77.54 (2m) The ~~gross receipts~~ sales price from the sales of and the storage, use  
2 or other consumption of tangible personal property or services that become an  
3 ingredient or component of shoppers guides, newspapers or periodicals or that are  
4 consumed or lose their identity in the manufacture of shoppers guides, newspapers  
5 or periodicals, whether or not the shoppers guides, newspapers or periodicals are  
6 transferred without charge to the recipient. In this subsection, “shoppers guides”,  
7 “newspapers” and “periodicals” have the meanings under sub. (15). The exemption  
8 under this subdivision does not apply to advertising supplements that are not  
9 newspapers.

10           **SECTION 89.** 77.54 (3) (a) of the statutes is amended to read:

11           77.54 (3) (a) The ~~gross receipts~~ sales price from the sales of and the storage, use  
12 or other consumption of tractors and machines, including accessories, attachments  
13 and parts therefor, used exclusively and directly in the business of farming, including  
14 dairy farming, agriculture, horticulture, floriculture and custom farming services,  
15 but excluding automobiles, trucks, and other motor vehicles for highway use;  
16 excluding personal property that is attached to, fastened to, connected to or built into  
17 real property or that becomes an addition to, component of or capital improvement  
18 of real property and excluding tangible personal property used or consumed in the  
19 erection of buildings or in the alteration, repair or improvement of real property,  
20 regardless of any contribution that ~~that~~ the personal property makes to the  
21 production process in that building or real property and regardless of the extent to  
22 which that personal property functions as a machine.

23           **SECTION 90.** 77.54 (3m) (intro.) of the statutes is amended to read:

24           77.54 (3m) (intro.) The ~~gross receipts~~ sales price from the sale of and the  
25 storage, use or other consumption of the following items if they are used exclusively

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1 by the purchaser or user in the business of farming; including dairy farming,  
2 agriculture, horticulture, floriculture and custom farming services:

3 **SECTION 91.** 77.54 (4) of the statutes is amended to read:

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

9 **SECTION 92.** 77.54 (5) (intro.) of the statutes is amended to read:

10 77.54 (5) (intro.) The ~~gross receipts~~ sales price from the sale of and the storage,  
11 use or other consumption of:

12 **SECTION 93.** 77.54 (6) (intro.) of the statutes is amended to read:

13 77.54 (6) (intro.) The ~~gross receipts~~ sales price from the sale of and the storage,  
14 use or other consumption of:

15 **SECTION 94.** 77.54 (8) of the statutes is amended to read:

16 77.54 (8) Charges for ~~interest, financing or insurance~~ where such charges are  
17 separately set forth upon the invoice given by the seller to the purchaser.

18 **SECTION 95.** 77.54 (9) of the statutes is amended to read:

19 77.54 (9) The ~~gross receipts~~ sales price from sales of tickets or admissions to  
20 public and private elementary and secondary school activities, where the entire net  
21 proceeds therefrom are expended for educational, religious or charitable purposes.

22 **SECTION 96.** 77.54 (9a) (intro.) of the statutes is amended to read:

23 77.54 (9a) (intro.) The ~~gross receipts~~ sales price from sales to, and the storage  
24 by, use by or other consumption of tangible personal property and taxable services  
25 by:

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1           **SECTION 97.** 77.54 (10) of the statutes is amended to read:

2           77.54 (10) The ~~gross receipts~~ sales price from the sale of all admission fees,  
3 admission stickers or camping fees under s. 27.01 (7) to (11) and all admission fees  
4 to any museum operated by a nonprofit corporation under a lease agreement with  
5 the state historical society.

6           **SECTION 98.** 77.54 (11) of the statutes is amended to read:

7           77.54 (11) The ~~gross receipts~~ sales price from the sales of and the storage, use  
8 or other consumption in this state of motor vehicle fuel, general aviation fuel or  
9 alternate fuel, subject to taxation under ch. 78, unless the motor vehicle fuel or  
10 alternate fuel tax is refunded under s. 78.75 because the buyer does not use the fuel  
11 in operating a motor vehicle upon the public highways.

12           **SECTION 99.** 77.54 (12) of the statutes is amended to read:

13           77.54 (12) The ~~gross receipts~~ sales price from the sales of and the storage, use  
14 or other consumption in this state of rail freight or passenger cars, locomotives or  
15 other rolling stock used in railroad operations, or accessories, attachments, parts,  
16 lubricants or fuel therefor.

17           **SECTION 100.** 77.54 (13) of the statutes is amended to read:

18           77.54 (13) The ~~gross receipts~~ sales price from the sales of and the storage, use  
19 or other consumption in this state of commercial vessels and barges of 50-ton burden  
20 or over primarily engaged in interstate or foreign commerce or commercial fishing,  
21 and the accessories, attachments, parts and fuel therefor.

22           **SECTION 101.** 77.54 (14) (intro.) of the statutes is amended to read:

23           77.54 (14) (intro.) The ~~gross receipts~~ sales price from the sales of and the  
24 storage, use, or other consumption in this state of ~~medicines~~ drugs that are any of  
25 the following:

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1           **SECTION 102.** 77.54 (14) (a) of the statutes is amended to read:

2           77.54 (14) (a) Prescribed for the treatment of a human being by a person  
3 authorized to prescribe the ~~medicines~~ drugs, and dispensed on prescription filled by  
4 a registered pharmacist in accordance with law.

5           **SECTION 103.** 77.54 (14) (b) of the statutes is amended to read:

6           77.54 (14) (b) Furnished by a licensed physician, surgeon, podiatrist, or dentist  
7 to a patient who is a human being for treatment of the patient.

8           **SECTION 104.** 77.54 (14) (f) of the statutes is amended to read:

9           77.54 (14) (f) Furnished without charge to a physician, surgeon, nurse  
10 anesthetist, advanced practice nurse, osteopath, dentist who is licensed under ch.  
11 447, podiatrist who is licensed under ch. 448, or optometrist who is licensed under  
12 ch. 449 if the ~~medicine~~ drug may not be dispensed without a prescription.

13           **SECTION 105.** 77.54 (14b) of the statutes is created to read:

14           77.54 (14b) The sales price from the sales of and the storage, use, or other  
15 consumption of bandages, dressings, syringes, and similar items that are bundled  
16 together with drugs that are exempt under sub. (14) for sale by the seller as a single  
17 product or piece of merchandise.

18           **SECTION 106.** 77.54 (14g) of the statutes is repealed.

19           **SECTION 107.** 77.54 (14s) of the statutes is repealed.

20           **SECTION 108.** 77.54 (15) of the statutes is amended to read:

21           77.54 (15) The ~~gross receipts~~ sales price from the sale of and the storage, use  
22 or other consumption of all newspapers, of periodicals sold by subscription and  
23 regularly issued at average intervals not exceeding 3 months, or issued at average  
24 intervals not exceeding 6 months by an educational association or corporation sales  
25 to which are exempt under sub. (9a) (f), of controlled circulation publications sold to

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

13 **SECTION 109.** 77.54 (16) of the statutes is amended to read:

14 77.54 (16) The ~~gross receipts~~ sales price from the sale of and the storage, use  
15 or other consumption of fire trucks and fire fighting equipment, including  
16 accessories, attachments, parts and supplies therefor, sold to volunteer fire  
17 departments.

18 **SECTION 110.** 77.54 (17) of the statutes is amended to read:

19 77.54 (17) The ~~gross receipts~~ sales price from the sales of and the storage, use  
20 or other consumption of water, that is not food and food ingredient, when delivered  
21 through mains.

22 **SECTION 111.** 77.54 (18) of the statutes is amended to read:

23 77.54 (18) When the sale, lease or rental of a service or property that was  
24 previously exempt or not taxable under this subchapter becomes taxable, and the  
25 service or property is furnished under a written contract by which the seller is

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

8 **SECTION 112.** 77.54 (20) of the statutes is repealed.

9 **SECTION 113.** 77.54 (20m) of the statutes is repealed.

10 **SECTION 114.** 77.54 (20n) of the statutes is created to read:

11 77.54 (20n) (a) The sales price from the sale of and the storage, use, or other  
12 consumption of food and food ingredients, except candy, soft drinks, dietary  
13 supplements, and prepared food.

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

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1 or paid for to such institution through the use of an account of such institution, by  
2 a public or private institution of higher education to any of the following:

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

7 2. A national football league team.

8 **SECTION 115.** 77.54 (20r) of the statutes is created to read:

9 77.54 (20r) The sales price from the sales of and the storage, use, or other  
10 consumption of candy, soft drinks, dietary supplements, and prepared foods, and  
11 disposable products that are transferred with such items, furnished for no  
12 consideration by a restaurant to the restaurant's employee during the employee's  
13 work hours.

14 **SECTION 116.** 77.54 (21) of the statutes is amended to read:

15 77.54 (21) The ~~gross receipts~~ sales price from the sales of and the storage, use  
16 or other consumption of caskets and burial vaults for human remains.

17 **SECTION 117.** 77.54 (22) of the statutes is repealed.

18 **SECTION 118.** 77.54 (22b) of the statutes is created to read:

19 77.54 (22b) The sales price from the sale of and the storage, use, or other  
20 consumption of ~~durable medical equipment~~ mobility-enhancing equipment, and  
21 prosthetic devices. *if the equipment or devices are used for a human being*

22 **SECTION 119.** 77.54 (23m) of the statutes is amended to read:

23 77.54 (23m) The ~~gross receipts~~ sales price from the sale, lease or rental of or  
24 the storage, use or other consumption of motion picture film or tape, and advertising

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1 materials related thereto, sold, leased or rented to a motion picture theater or radio  
2 or television station.

3 **SECTION 120.** 77.54 (25) of the statutes is amended to read:

4 77.54 (25) The ~~gross receipts~~ sales price from the sale of and the storage of  
5 printed material which is designed to advertise and promote the sale of merchandise,  
6 or to advertise the services of individual business firms, which printed material is  
7 purchased and stored for the purpose of subsequently transporting it outside the  
8 state by the purchaser for use thereafter solely outside the state.

9 **SECTION 121.** 77.54 (26) of the statutes is amended to read:

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

23 **SECTION 122.** 77.54 (26m) of the statutes is amended to read:

24 77.54 (26m) The ~~gross receipts~~ sales price from the sale of and the storage, use  
25 or other consumption of waste reduction or recycling machinery and equipment,

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1 including parts therefor, exclusively and directly used for waste reduction or  
2 recycling activities which reduce the amount of solid waste generated, reuse solid  
3 waste, recycle solid waste, compost solid waste or recover energy from solid waste.  
4 The exemption applies even though an economically useful end product results from  
5 the use of the machinery and equipment. For the purposes of this subsection, “solid  
6 waste” means garbage, refuse, sludge or other materials or articles, whether these  
7 materials or articles are discarded or purchased, including solid, semisolid, liquid or  
8 contained gaseous materials or articles resulting from industrial, commercial,  
9 mining or agricultural operations or from domestic use or from public service  
10 activities.

11 **SECTION 123.** 77.54 (27) of the statutes is amended to read:

12 77.54 (27) The ~~gross receipts~~ sales price from the sale of semen used for  
13 artificial insemination of livestock.

14 **SECTION 124.** 77.54 (28) of the statutes is repealed.

15 **SECTION 125.** 77.54 (29) of the statutes is amended to read:

16 77.54 (29) The ~~gross receipts~~ sales price from the sales of and the storage, use  
17 or other consumption of equipment used in the production of maple syrup.

18 **SECTION 126.** 77.54 (30) (a) (intro.) of the statutes is amended to read:

19 77.54 (30) (a) (intro.) The ~~gross receipts~~ sales price from the sale of:

20 **SECTION 127.** 77.54 (30) (c) of the statutes is amended to read:

21 77.54 (30) (c) If fuel or electricity is sold partly for a use exempt under this  
22 subsection and partly for a use which is not exempt under this subsection, no tax  
23 shall be collected on that percentage of the ~~gross receipts~~ sales price equal to the  
24 percentage of the fuel or electricity which is used for an exempt use, as specified in  
25 an exemption certificate provided by the purchaser to the seller.

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1           **SECTION 128.** 77.54 (31) of the statutes is amended to read:

2           77.54 (31) The ~~gross receipts~~ sales price from the sale of and the storage, use  
3 or other consumption in this state, but not the lease or rental, of used mobile homes  
4 that are primary housing units under s. 340.01 (29).

5           **SECTION 129.** 77.54 (32) of the statutes is amended to read:

6           77.54 (32) The ~~gross receipts~~ sales price from charges, including charges for a  
7 search, imposed by an authority, as defined in s. 19.32 (1), for copies of a public record  
8 that a person may examine and use under s. 16.61 (12) or for copies of a record under  
9 s. 19.35 (1).

10          **SECTION 130.** 77.54 (33) of the statutes is amended to read:

11          77.54 (33) The ~~gross receipts~~ sales price from sales of and the storage, use or  
12 other consumption of ~~medicines~~ drugs used on farm livestock, not including  
13 workstock.

14          **SECTION 131.** 77.54 (34) of the statutes is amended to read:

15          77.54 (34) The ~~gross receipts~~ sales price from the sale of and the storage, use  
16 or other consumption of milk house supplies used exclusively in producing and  
17 handling milk on dairy farms.

18          **SECTION 132.** 77.54 (35) of the statutes is amended to read:

19          77.54 (35) The ~~gross receipts~~ sales price from the sales of tangible personal  
20 property, tickets or admissions by any baseball team affiliated with the Wisconsin  
21 Department of American Legion baseball.

22          **SECTION 133.** 77.54 (36) of the statutes is amended to read:

23          77.54 (36) The ~~gross receipts~~ sales price from the rental for a continuous period  
24 of one month or more of a mobile home, as defined in s. 66.0435 (1) (d), that is used  
25 as a residence. In this subsection, “one month” means a calendar month or 30 days,

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1       whichever is less, counting the first day of the rental and not counting the last day  
2       of the rental.

3               **SECTION 134.** 77.54 (37) of the statutes is amended to read:

4               77.54 (37) The ~~gross receipts~~ sales price from revenues collected under s.  
5       146.70 (3).

6               **SECTION 135.** 77.54 (38) of the statutes is amended to read:

7               77.54 (38) The ~~gross receipts~~ sales price from the sale of and the storage, use  
8       or other consumption of snowmobile trail groomers and attachments for them that  
9       are purchased, stored, used or consumed by a snowmobile club that meets at least  
10       3 times a year, that has at least 10 members, that promotes snowmobiling and that  
11       participates in the department of natural resources' snowmobile program under s.  
12       350.12 (4) (b).

13               **SECTION 136.** 77.54 (39) of the statutes is amended to read:

14               77.54 (39) The ~~gross receipts~~ sales price from the sale of and the storage, use  
15       or other consumption of off-highway, heavy mechanical equipment such as feller  
16       bunchers, slashers, delimiters, chippers, hydraulic loaders, loaders,  
17       skidder-forwarders, skidders, timber wagons and tractors used exclusively and  
18       directly in the harvesting or processing of raw timber products in the field by a person  
19       in the logging business. In this subsection, "heavy mechanical equipment" does not  
20       include hand tools such as axes, chains, chain saws and wedges.

21               **SECTION 137.** 77.54 (40) of the statutes is repealed.

22               **SECTION 138.** 77.54 (41) of the statutes is amended to read:

23               77.54 (41) The ~~gross receipts~~ sales price from the sale of building materials,  
24       supplies and equipment to; and the storage, use or other consumption of those kinds  
25       of property by; owners, contractors, subcontractors or builders if that property is

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1 acquired solely for or used solely in, the construction, renovation or development of  
2 property that would be exempt under s. 70.11 (36).

3 **SECTION 139.** 77.54 (42) of the statutes is amended to read:

4 77.54 (42) The ~~gross receipts~~ sales price from the sale of and the storage, use  
5 or other consumption of animal identification tags provided under s. 93.06 (1h) and  
6 standard samples provided under s. 93.06 (1s).

7 **SECTION 140.** 77.54 (43) of the statutes is amended to read:

8 77.54 (43) The ~~gross receipts~~ sales price from the sale of and the storage, use  
9 or other consumption of raw materials used for the processing, fabricating or  
10 manufacturing of, or the attaching to or incorporating into, printed materials that  
11 are transported and used solely outside this state.

12 **SECTION 141.** 77.54 (44) of the statutes is amended to read:

13 77.54 (44) The ~~gross receipts~~ sales price from the collection of public benefits  
14 fees that are charged under s. 16.957 (4) (a) or (5) (a).

15 **SECTION 142.** 77.54 (45) of the statutes is amended to read:

16 77.54 (45) The ~~gross receipts~~ sales price from the sale of and the use or other  
17 consumption of a onetime license or similar right to purchase admission to  
18 professional football games at a football stadium, as defined in s. 229.821 (6), that  
19 is granted by a municipality; a local professional football stadium district; or a  
20 professional football team or related party, as defined in s. 229.821 (12); if the person  
21 who buys the license or right is entitled, at the time the license or right is transferred  
22 to the person, to purchase admission to at least 3 professional football games in this  
23 state during one football season.

24 **SECTION 143.** 77.54 (46) of the statutes is amended to read:

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1           77.54 (46) The ~~gross receipts~~ sales price from the sale of and the storage, use,  
2 or other consumption of the U.S. flag or the state flag. This subsection does not apply  
3 to a representation of the U.S. flag or the state flag.

4           **SECTION 144.** 77.54 (46m) of the statutes is amended to read:

5           77.54 (46m) The ~~gross receipts~~ sales price from the sale of and the storage, use,  
6 or other consumption of telecommunications services, if the telecommunications  
7 services are obtained by using the rights to purchase telecommunications services,  
8 including purchasing reauthorization numbers, by paying in advance and by using  
9 an access number and authorization code; and if the tax imposed under s. 77.52 or  
10 77.53 was previously paid on the sale or purchase of such rights.

11          **SECTION 145.** 77.55 (1) (intro.) of the statutes is amended to read:

12          77.55 (1) (intro.) There are is exempted from the computation of the amount  
13 of the sales tax the ~~gross receipts~~ sales price from the sale of any tangible personal  
14 property or services to:

15          **SECTION 146.** 77.55 (2) of the statutes is amended to read:

16          77.55 (2) There are is exempted from the computation of the amount of the sales  
17 tax the ~~gross receipts~~ sales price from sales of tangible personal property to a  
18 common or contract carrier, shipped by the seller via the purchasing carrier under  
19 a bill of lading whether the freight is paid in advance, or the shipment is made freight  
20 charges collect, to a point outside this state and the property is actually transported  
21 to the out-of-state destination for use by the carrier in the conduct of its business  
22 as a carrier.

23          **SECTION 147.** 77.55 (2m) of the statutes is amended to read:

24          77.55 (2m) There are is exempted from the computation of the amount of sales  
25 tax the ~~gross receipts~~ sales price from sales of railroad crossties to a common or

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1 contract carrier, shipped wholly or in part by way of the purchasing carrier under a  
2 bill of lading, whether the freight is paid in advance or the shipment is made freight  
3 charges collect, to a point outside this state if the property is transported to the  
4 out-of-state destination for use by the carrier in the conduct of its business as a  
5 carrier. Interruption of the shipment for storage, drying, processing or creosoting of  
6 the railroad crossties in this state does not invalidate the exemption under this  
7 subsection.

8 **SECTION 148.** 77.55 (3) of the statutes is amended to read:

9 77.55 (3) There ~~are~~ is exempted from the computation of the amount of the sales  
10 tax the ~~gross receipts~~ sales price from sales of tangible personal property purchased  
11 for use solely outside this state and delivered to a forwarding agent, export packer,  
12 or other person engaged in the business of preparing goods for export or arranging  
13 for their exportation, and actually delivered to a port outside the continental limits  
14 of the United States prior to making any use thereof.

15 **SECTION 149.** 77.56 (1) of the statutes is amended to read:

16 77.56 (1) The storage, use or other consumption in this state of property, the  
17 ~~gross receipts~~ sales price from the sale of which ~~are~~ is reported to the department in  
18 the measure of the sales tax, is exempted from the use tax.

19 **SECTION 150.** 77.57 of the statutes is amended to read:

20 **77.57 Liability of purchaser.** If a purchaser certifies in writing to a seller  
21 that the property purchased will be used in a manner or for a purpose entitling the  
22 seller to regard the ~~gross receipts~~ sales price from the sale as exempted by this  
23 subchapter from the computation of the amount of the sales tax and uses the property  
24 in some other manner or for some other purpose, the purchaser is liable for payment  
25 of the sales tax. The tax shall be measured by the sales price of the property to the

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1 purchaser, but if the taxable use first occurs more than 6 months after the sale to the  
2 purchaser, the purchaser may use as the measure of the tax either that sales price  
3 or the fair market value of the property at the time the taxable use first occurs.

4 **SECTION 151.** 77.58 (3) (b) of the statutes is amended to read:

5 77.58 (3) (b) ~~For purposes of the sales tax the return shall show the gross~~  
6 ~~receipts of the seller during the preceding reporting period. For purposes of the use~~  
7 ~~tax, in case of a return filed by a retailer, the return shall show the total sales price~~  
8 ~~of the property or taxable services sold, the storage, use or consumption of which~~  
9 ~~became subject to the use tax during the preceding reporting period. In case of a sales~~  
10 ~~or use tax return filed by a purchaser, the return shall show the total sales price of~~  
11 ~~the property and taxable services purchased, the storage, use or consumption of~~  
12 ~~which became subject to the use tax during the preceding reporting period. The~~  
13 ~~return shall also show the amount of the taxes for the period covered by the return~~  
14 ~~and such other information as the department deems necessary for the proper~~  
15 ~~administration of this subchapter.~~

16 **SECTION 152.** 77.58 (6) of the statutes is amended to read:

17 77.58 (6) For the purposes of the sales tax gross receipts, the sales price from  
18 rentals or leases of tangible personal property shall be reported and the tax paid in  
19 accordance with such rules as the department prescribes.

20 **SECTION 153.** 77.58 (6m) of the statutes is created to read:

21 77.58 (6m) (a) The department may, in cases where it is satisfied that an undue  
22 hardship would otherwise result, permit the reporting of a sales price or purchase  
23 price on some basis other than the accrual basis.

24 (b) The entire sales price of credit transactions shall be reported in the period  
25 in which the sale is made without reduction in the amount of tax payable by the

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1 retailer by reason of the retailer's transfer at a discount the open account, note,  
2 conditional sales contract, lease contract, or other evidence of indebtedness.

3 **SECTION 154.** 77.58 (9a) of the statutes is created to read:

4 77.58 (9a) In addition to filing a return as provided in this section, a person  
5 described under s. 77.524 (3), (4), or (5) shall provide to the department any  
6 information that the department considers necessary for the administration of this  
7 subchapter, in the manner prescribed by the department, except that the  
8 department may not require that the person provide such information to the  
9 department more than once every 180 days.

10 **SECTION 155.** 77.585 of the statutes is created to read:

11 **77.585 Return adjustments.** (1) (a) In this subsection, "bad debt" means the  
12 portion of the sales price or purchase price that the seller has reported as taxable  
13 under this subchapter and that the seller may claim as a deduction under section 166  
14 of the Internal Revenue Code. "Bad debt" does not include financing charges or  
15 interest, sales or use taxes imposed on the sales price or purchase price, uncollectible  
16 amounts on property that remains in the seller's possession until the full sales price  
17 or purchase price is paid, expenses incurred in attempting to collect any debt, debts  
18 sold or assigned to 3rd parties for collection, and repossessed property.

19 (b) A seller may claim as a deduction on a return under s. 77.58 the amount of  
20 any bad debt that the seller writes off as uncollectible in the seller's books and records  
21 and that is eligible to be deducted as bad debt for federal income tax purposes,  
22 regardless of whether the seller is required to file a federal income tax return. A  
23 seller who claims a deduction under this paragraph shall claim the deduction on the  
24 return under s. 77.58 that is submitted for the period in which the seller writes off  
25 the amount of the deduction as uncollectible in the seller's books and records and in

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1 which such amount is eligible to be deducted as bad debt for federal income tax  
2 purposes. If the seller subsequently collects in whole or in part any bad debt for  
3 which a deduction is claimed under this paragraph, the seller shall include the  
4 amount collected in the return filed for the period in which the amount is collected  
5 and shall pay the tax with the return.

6 (c) For purposes of computing a bad debt deduction or reporting a payment  
7 received on a previously claimed bad debt, any payment made on a debt or on an  
8 account is applied first to the price of the property or service sold, and the  
9 proportionate share of the sales tax on that property or service, and then to interest,  
10 service charges, and other charges related to the sale.

11 (d) A seller may obtain a refund of the tax collected on any bad debt amount  
12 deducted under par. (b) that exceeds the amount of the seller's taxable sales as  
13 provided under s. 77.59 (4), except that the period for making a claim as determined  
14 under s. 77.59 (4) begins on the date on which the return on which the bad debt could  
15 be claimed would have been required to be submitted to the department under s.  
16 77.58.

17 (e) If a seller is using a certified service provider, the certified service provider  
18 may claim a bad debt deduction under this subsection on the seller's behalf if the  
19 seller has not claimed and will not claim the same deduction. A certified service  
20 provider who receives a bad debt deduction under this subsection shall credit that  
21 deduction to the seller and a certified service provider who receives a refund under  
22 this subsection shall submit that refund to the seller.

23 (f) If a bad debt relates to the retail sales of tangible personal property or  
24 taxable services that occurred in this state and in one or more other states, as  
25 determined under s. 77.522, the total amount of such bad debt shall be apportioned

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1 among the states in which the underlying sales occurred in a manner prescribed by  
2 the department to arrive at the amount of the deduction under par. (b).

3 (2) If a lessor of tangible personal property has reimbursed the vendor for the  
4 sales tax on the sale of the property by the vendor to the lessor, the tax due from the  
5 lessor on the rental receipts may be offset by a credit equal to the tax otherwise due  
6 on the rental receipts from the property for the reporting period. The credit shall  
7 expire when the cumulative rental receipts equal the sales price upon which the  
8 vendor paid sales taxes to this state.

9 (3) If a purchaser of tangible personal property has reimbursed the vendor of  
10 the property for the sales tax on the sale and subsequently, before making any use  
11 of the property other than retention, demonstration, or display while holding it for  
12 sale or rental, makes a taxable sale of the property, the tax due on the taxable sale  
13 may be offset by the tax reimbursed.

14 (4) A seller may claim a deduction on any part of the sales price or purchase  
15 price that the seller refunds in cash or credit as a result of returned property or  
16 adjustments in the sales price or purchase price after the sale has been completed,  
17 if the seller has included the refunded price in a prior return made by the seller and  
18 has paid the tax on such price, and if the seller has returned to the purchaser in cash  
19 or in credit all tax previously paid by the purchaser on the amount of the refund at  
20 the time of the purchase. A deduction under this paragraph shall be claimed on the  
21 return for the period in which the refund is paid.

22 (5) No reduction in the amount of tax payable by the retailer is allowable in the  
23 event property sold on credit is repossessed except where the entire consideration  
24 paid by the purchaser is refunded to the purchaser or where a credit for a worthless  
25 account is allowable under sub. (1).

(6) For sales tax purposes, if a retailer establishes to the department <sup>its</sup> satisfaction that the sales tax has been added to the total amount of the sales price and has not been absorbed by the retailer, the total amount of the sales price shall be the amount received exclusive of the sales tax imposed.

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1           **SECTION 156.** 77.59 (2m) of the statutes is created to read:

2           77.59 (2m) The department may audit, or may authorize others to audit, sellers  
3 and certified service providers who are registered with the department pursuant to  
4 the agreement, as defined in s. 77.65 (2) (a).

5           **SECTION 157.** 77.59 (9) of the statutes is amended to read:

6           77.59 (9) If any person fails to file a return, the department shall make an  
7 estimate of the amount of the ~~gross receipts~~ sales price of the ~~person~~ person's sales,  
8 or, as the case may be, of the amount of the total sales purchase price of tangible  
9 personal property or taxable service sold or purchased by the person, the sale by or  
10 the storage, use or other consumption of which in this state is subject to sales or use  
11 tax. The estimate shall be made for the period in respect to which the person failed  
12 to make a return and shall be based upon any information which is in the  
13 department's possession or may come into its possession. Upon the basis of this  
14 estimate the department shall compute and determine the amount required to be  
15 paid to the state, adding to the sum thus arrived at a penalty equal to 25% thereof.  
16 One or more such determinations may be made for one or for more than one period.  
17 When a business is discontinued a determination may be made at any time  
18 thereafter, within the periods specified in sub. (3), as to liability arising out of that  
19 business.

20           **SECTION 158.** 77.59 (9n) of the statutes is created to read:

21           77.59 (9n) No seller or certified service provider is liable for any deficiency or  
22 refund under this subchapter that is the result of the seller or certified service  
23 provider relying on erroneous information contained in a database maintained  
24 under s. 73.03 (59) (e) or (f).

25           **SECTION 159.** 77.59 (9p) (b) of the statutes is created to read:

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1           77.59 (9p) (b) If a customer purchases a service that is not subject to 4 USC 116  
2 to 126, as amended by P.L. 106–252, or tangible personal property, and if the  
3 customer believes that the amount of the tax assessed for the sale of the service or  
4 property under this subchapter is erroneous, the customer may request that the  
5 seller correct the alleged error by sending a written notice to the seller. The notice  
6 shall include a description of the alleged error and any other information that the  
7 seller reasonably requires to process the request. Within 60 days from the date that  
8 a seller receives a request under this paragraph, the seller shall review its records  
9 to determine the validity of the customer’s claim. If the review indicates that there  
10 is no error as alleged, the seller shall explain the findings of the review in writing to  
11 the customer. If the review indicates that there is an error as alleged, the seller shall  
12 correct the error and shall refund the amount of any tax collected erroneously, along  
13 with the related interest, as a result of the error from the customer, consistent with  
14 s. 77.59 (4). A customer may take no other action, or commence any action, to correct  
15 an alleged error in the amount of the tax assessed under this subchapter on a service  
16 that is not subject to 4 USC 116 to 126, as amended by P.L. 106–252, or tangible  
17 personal property, unless the customer has exhausted his or her remedies under this  
18 paragraph.

19           **SECTION 160.** 77.59 (9r) of the statutes is created to read:

20           77.59 (9r) With regard to a purchaser’s request for a refund under this section,  
21 a seller is presumed to have reasonable business practices if the seller uses a certified  
22 service provider, a certified automated system, as defined in s. 77.524 (1) (am), or a  
23 proprietary system certified by the department to collect the taxes imposed under  
24 this subchapter and if the seller has remitted to the department all taxes collected  
25 under this subchapter, less any deductions, credits, or allowances.

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1           **SECTION 161.** 77.60 (13) of the statutes is created to read:

2           **77.60 (13)** A person who uses any of the following documents in a manner that  
3 is prohibited by or inconsistent with this subchapter, or provides incorrect  
4 information to a seller or certified service provider related to the use of such  
5 documents or regarding an exemption to the taxes imposed under this subchapter,  
6 shall pay a penalty of \$250 for each invoice or bill of sale related to the prohibited or  
7 inconsistent use or incorrect information:

8           (a) An exemption certificate described under ss. 77.52 (13) and 77.53 (10).

9           (b) A direct pay permit under s. 77.52 (17m).

10          (c) A direct mail form, as defined in s. 77.522 (1) (a) 1.

11          (d) A multiple–points–of–use exemption form, as defined in s. 77.522 (1) (a) 2.

12           **SECTION 162.** 77.61 (1) (b) of the statutes is amended to read:

13           **77.61 (1) (b)** In the case of ~~a motor vehicle~~ motor vehicles, boats, snowmobiles,  
14 mobile homes not exceeding 45 feet in length, trailers, semitrailers, all–terrain  
15 vehicles, or aircraft purchased from a licensed ~~Wisconsin motor vehicle dealer~~  
16 retailer, the registrant shall present proof that the tax has been paid to such ~~dealer~~  
17 retailer.

18           **SECTION 163.** 77.61 (1) (c) of the statutes is amended to read:

19           **77.61 (1) (c)** In the case of motor vehicles, boats, snowmobiles, mobile homes  
20 not exceeding 45 feet in length, trailers, semitrailers, all–terrain vehicles or aircraft  
21 registered or titled, or required to be registered or titled, in this state purchased from  
22 persons who are not ~~Wisconsin boat, trailer or semitrailer dealers, licensed~~  
23 ~~Wisconsin aircraft, motor vehicle or mobile home dealers or registered Wisconsin~~  
24 ~~snowmobile or all–terrain vehicle dealers~~ retailers, the purchaser shall file a sales  
25 tax return and pay the tax prior to registering or titling the motor vehicle, boat,

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1 snowmobile, mobile home not exceeding 45 feet in length, trailer, semitrailer,  
2 all-terrain vehicle or aircraft in this state.

3 **SECTION 164.** 77.61 (2) of the statutes is renumbered 77.61 (2) (intro.) and  
4 amended to read:

5 77.61 (2) (intro.) In order to protect the revenue of the state:

6 (a) Except as provided in par. (b), the department may require any person who  
7 is or will be liable to it for the tax imposed by this subchapter to place with it, before  
8 or after a permit is issued, the security, not in excess of \$15,000, that the department  
9 determines. In determining the amount of security to require under this subsection,  
10 the department may consider the person's payment of other taxes administered by  
11 the department and any other relevant facts. If any taxpayer fails or refuses to place  
12 that security, the department may refuse or revoke the permit. If any taxpayer is  
13 delinquent in the payment of the taxes imposed by this subchapter, the department  
14 may, upon 10 days' notice, recover the taxes, interest, costs and penalties from the  
15 security placed with the department by the taxpayer in the following order: costs,  
16 penalties, delinquent interest, delinquent tax. No interest may be paid or allowed  
17 by the state to any person for the deposit of security. Any security deposited under  
18 this subsection shall be returned to the taxpayer if the taxpayer has, for 24  
19 consecutive months, complied with all the requirements of this subchapter.

20 **SECTION 165.** 77.61 (2) (b) of the statutes is created to read:

21 77.61 (2) (b) A certified service provider who has contracted with a seller, and  
22 filed an application, to collect and remit sales and use taxes imposed under this  
23 subchapter on behalf of the seller shall submit a surety bond to the department to  
24 guarantee the payment of sales and use taxes, including any penalty and interest on  
25 such payment. The department shall approve the form and contents of a bond

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1 submitted under this paragraph and shall determine the amount of such bond. The  
2 surety bond shall be submitted to the department within 60 days after the date on  
3 which the department notifies the certified service provider that the certified service  
4 provider is registered to collect sales and use taxes imposed under this subchapter.  
5 If the department determines, with regards to any one certified service provider, that  
6 no bond is necessary to protect the tax revenues of this state, the secretary of revenue  
7 or the secretary's designee may waive the requirements under this paragraph with  
8 regard to that certified service provider. Any bond submitted under this paragraph  
9 shall remain in force until the secretary of revenue or the secretary's designee  
10 releases the liability under the bond.

11 **SECTION 166.** 77.61 (3) of the statutes is repealed.

12 **SECTION 167.** 77.61 (3m) of the statutes is created to read:

13 77.61 (3m) A retailer shall use a straight mathematical computation to  
14 determine the amount of the tax that the retailer may collect from the retailer's  
15 customers. The retailer shall calculate the tax amount by combining the applicable  
16 tax rates under this subchapter and subch. V and multiplying the combined tax rate  
17 by the sales price or purchase price of each item or invoice, as appropriate. The  
18 retailer shall calculate the tax amount to the 3rd decimal place, disregard tax  
19 amounts of less than 0.5 cent, and consider tax amounts of at least 0.5 cent but less  
20 than 1 cent to be an additional cent. The use of a straight mathematical computation,  
21 as provided in this subsection, shall not relieve the retailer from liability for payment  
22 of the full amount of the tax levied under this subchapter.

23 **SECTION 168.** 77.61 (5m) of the statutes is created to read:

24 77.61 (5m) (a) In this subsection, "personally identifiable information" means  
25 any information that identifies a person.

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1 (b) A certified service provider may use personally identifiable information as  
2 necessary only for the administration of its system to perform a seller's sales and use  
3 tax functions and shall provide consumers clear and conspicuous notice of its practice  
4 regarding such information, including how it collects the information, how it uses the  
5 information, and under what circumstances it discloses the information.

6 (c) A certified service provider may retain personally identifiable information  
7 only to verify exemption claims, to investigate fraud, and to ensure its system's  
8 reliability. A certified service provider who retains an individual's personally  
9 identifiable information shall provide reasonable notice of such retention to the  
10 individual and shall provide the individual reasonable access to the information and  
11 an opportunity to correct inaccurate information. If any person, other than a state  
12 that is a signatory to the agreement, as defined in s. 77.65 (2) (a), requests access to  
13 an individual's personally identifiable information, the certified service provider  
14 shall make a reasonable and timely effort to notify the individual of the request.

15 (d) A certified service provider shall provide sufficient technical, physical, and  
16 administrative safeguards to protect personally identifiable information from  
17 unauthorized access and disclosure.

18 **SECTION 169.** 77.61 (16) of the statutes is created to read:

19 77.61 (16) Any person who remits taxes and files returns under this subchapter  
20 may designate an agent, as defined in s. 77.524 (1) (ag), to remit such taxes and file  
21 such returns with the department in a manner prescribed by the department.

22 **SECTION 170.** 77.63 of the statutes is repealed and recreated to read:

23 **77.63 Collection compensation.** (intro.) The following persons may retain  
24 a portion of sales and use taxes collected on retail sales under this subchapter and

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1 subch. V in an amount determined by the department and by contracts that the  
2 department enters into pursuant to the agreement, as defined in s. 77.65 (2) (a):

3 (1) A certified service provider.

4 (2) A seller that uses a certified automated system, as defined in s. 77.524 (1)  
5 (am).

6 (3) A seller that sells tangible personal property or taxable services in at least  
7 5 states that are signatories to the agreement, as defined in s. 77.65 (2) (a); that has  
8 total annual sales revenue of at least \$500,000,000; that has a proprietary system  
9 that calculates the amount of tax owed to each taxing jurisdiction in which the seller  
10 sells tangible personal property or taxable services; and that has entered into a  
11 performance agreement with the states that are signatories to the agreement, as  
12 defined in s. 77.65 (2) (a). For purposes of this subdivision, “seller” includes an  
13 affiliated group of sellers using the same proprietary system to calculate the amount  
14 of tax owed in each taxing jurisdiction in which the sellers sell tangible personal  
15 property or taxable services.

16 **SECTION 171.** 77.65 (2) (c) of the statutes is repealed.

17 **SECTION 172.** 77.65 (2) (e) of the statutes is amended to read:

18 77.65 (2) (e) “Seller” means any person who sells, leases, or rents tangible  
19 personal property or services.

20 **SECTION 173.** 77.66 of the statutes is created to read:

21 **77.66 Amnesty for new registrants.** (1) A seller is not liable for uncollected  
22 and unpaid taxes, including penalties and interest, imposed under this subchapter  
23 and subch. V on sales made to purchasers in this state before the seller registers  
24 under par. (a), if all of the following apply:

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1           (a) The seller registers with the department, in a manner that the department  
2 prescribes, to collect and remit the taxes imposed under this subchapter and subch.  
3 V on sales to purchasers in this state in accordance with the agreement, as defined  
4 in s. 77.65 (2) (a).

5           (b) The seller registers under par. (a) no later than 365 days after the effective  
6 date of this state's participation in the agreement under s. 77.65 (2) (a) .... [revisor  
7 inserts date].

8           (c) The seller was not registered to collect and remit the taxes imposed under  
9 this subchapter and subch. V during the 365 consecutive days immediately before  
10 the effective date of this state's participation in the agreement under s. 77.65 (2) (a)  
11 .... [revisor inserts date].

12           (d) The seller has not received a notice of the commencement of an audit from  
13 the department or, if the seller has received a notice of the commencement of an audit  
14 from the department, the audit has not been resolved by any means, including any  
15 related administrative and judicial processes, at the time that the seller registers  
16 under par. (a).

17           (e) The seller has not committed or been involved in a fraud or an intentional  
18 misrepresentation of a material fact.

19           (f) The seller collects and remits the taxes imposed under this subchapter and  
20 subch. V on sales to purchasers in this state for at least 3 consecutive years after the  
21 date on which the seller registers under par. (a).

22           (2) Subsection (1) does not apply to taxes imposed under this subchapter and  
23 subch. V that are due from the seller for purchases made by the seller.

24           **SECTION 174.** 77.70 of the statutes is amended to read:

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1           **77.70 Adoption by county ordinance.** Any county desiring to impose county  
2 sales and use taxes under this subchapter may do so by the adoption of an ordinance,  
3 stating its purpose and referring to this subchapter. The county sales and use taxes  
4 may be imposed only for the purpose of directly reducing the property tax levy and  
5 only in their entirety as provided in this subchapter. That ordinance shall be  
6 effective on the first day of January, the first day of April, the first day of July or the  
7 first day of October. A certified copy of that ordinance shall be delivered to the  
8 secretary of revenue at least 120 days prior to its effective date. The repeal of any  
9 such ordinance shall be effective on December 31. A certified copy of a repeal  
10 ordinance shall be delivered to the secretary of revenue at least ~~60~~ 120 days before  
11 the effective date of the repeal.

12           **SECTION 175.** 77.705 of the statutes is amended to read:

13           **77.705 Adoption by resolution; baseball park district.** A local  
14 professional baseball park district created under subch. III of ch. 229, by resolution  
15 under s. 229.68 (15), may impose a sales tax and a use tax under this subchapter at  
16 a rate of no more than 0.1% of the gross receipts or sales price. Those taxes may be  
17 imposed only in their entirety. The resolution shall be effective on the first day of the  
18 ~~first month~~ January 1, April 1, July 1, or October 1 that begins at least ~~30~~ 120 days  
19 after the adoption of the resolution.

20           **SECTION 176.** 77.706 of the statutes is amended to read:

21           **77.706 Adoption by resolution; football stadium district.** A local  
22 professional football stadium district created under subch. IV of ch. 229, by  
23 resolution under s. 229.824 (15), may impose a sales tax and a use tax under this  
24 subchapter at a rate of 0.5% of the gross receipts or sales price. Those taxes may be  
25 imposed only in their entirety. The imposition of the taxes under this section shall

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1 be effective on the first day of the first month January 1, April 1, July 1, or October  
2 1 that begins at least ~~30~~ 120 days after the certification of the approval of the  
3 resolution by the electors in the district's jurisdiction under s. 229.824 (15).

4 **SECTION 177.** 77.707 (1) of the statutes is amended to read:

5 77.707 (1) Retailers and the department of revenue may not collect a tax under  
6 s. 77.705 for any local professional baseball park district created under subch. III of  
7 ch. 229 after the last day of the calendar quarter ~~during that is~~ at least 120 days from  
8 the date on which the local professional baseball park district board makes a  
9 certification to the department of revenue under s. 229.685 (2), except that the  
10 department of revenue may collect from retailers taxes that accrued before the day  
11 after the last day of that calendar quarter and fees, interest and penalties that relate  
12 to those taxes.

13 **SECTION 178.** 77.707 (2) of the statutes is amended to read:

14 77.707 (2) Retailers and the department of revenue may not collect a tax under  
15 s. 77.706 for any local professional football stadium district created under subch. IV  
16 of ch. 229 after the last day of the calendar quarter ~~during that is~~ at least 120 days  
17 from the date on which the local professional football stadium district board makes  
18 all of the certifications to the department of revenue under s. 229.825 (3), except that  
19 the department of revenue may collect from retailers taxes that accrued before the  
20 day after the last day of that calendar quarter and fees, interest and penalties that  
21 relate to those taxes.

22 **SECTION 179.** 77.71 (1) of the statutes is amended to read:

23 77.71 (1) For the privilege of selling, licensing, leasing or renting tangible  
24 personal property and for the privilege of selling, licensing, performing or furnishing  
25 services a sales tax is imposed upon retailers at the rate of 0.5% in the case of a county

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1 tax or at the rate under s. 77.705 or 77.706 in the case of a special district tax of the  
2 ~~gross receipts~~ sales price from the sale, licensing, lease or rental of tangible personal  
3 property, except property taxed under sub. (4), sold, licensed, leased or rented at  
4 retail in the county or special district or from selling, licensing, performing or  
5 furnishing services described under s. 77.52 (2) in the county or special district.

6 **SECTION 180.** 77.71 (2) of the statutes is amended to read:

7 77.71 (2) An excise tax is imposed at the rate of 0.5% in the case of a county tax  
8 or at the rate under s. 77.705 or 77.706 in the case of a special district tax of the ~~sales~~  
9 purchase price upon every person storing, using or otherwise consuming in the  
10 county or special district tangible personal property or services if the property or  
11 service is subject to the state use tax under s. 77.53, except that a receipt indicating  
12 that the tax under sub. (1), (3) or (4) has been paid relieves the buyer of liability for  
13 the tax under this subsection and except that if the buyer has paid a similar local tax  
14 in another state on a purchase of the same property or services that tax shall be  
15 credited against the tax under this subsection and except that for motor vehicles that  
16 are used for a purpose in addition to retention, demonstration or display while held  
17 for sale in the regular course of business by a dealer the tax under this subsection  
18 is imposed not on the ~~sales~~ purchase price but on the amount under s. 77.53 (1m).

19 **SECTION 181.** 77.71 (3) of the statutes is amended to read:

20 77.71 (3) An excise tax is imposed upon a contractor engaged in construction  
21 activities within the county or special district, at the rate of 0.5% in the case of a  
22 county tax or at the rate under s. 77.705 or 77.706 in the case of a special district tax  
23 of the ~~sales~~ purchase price of tangible personal property that is used in constructing,  
24 altering, repairing or improving real property and that becomes a component part  
25 of real property in that county or special district, except that if the contractor has

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1 paid the sales tax of a county in the case of a county tax or of a special district in the  
2 case of a special district tax in this state on that property, or has paid a similar local  
3 sales tax in another state on a purchase of the same property, that tax shall be  
4 credited against the tax under this subsection.

5 **SECTION 182.** 77.71 (4) of the statutes is amended to read:

6 77.71 (4) An excise tax is imposed at the rate of 0.5% in the case of a county tax  
7 or at the rate under s. 77.705 or 77.706 in the case of a special district tax of the sales  
8 purchase price upon every person storing, using or otherwise consuming a motor  
9 vehicle, boat, ~~snowmobile~~, mobile home not exceeding 45 feet in length, ~~trailer,~~  
10 ~~semitrailer, all-terrain vehicle~~ or aircraft, if that property must be registered or  
11 titled with this state and if that property is to be customarily kept in a county that  
12 has in effect an ordinance under s. 77.70 or in a special district that has in effect a  
13 resolution under s. 77.705 or 77.706, except that if the buyer has paid a similar local  
14 sales tax in another state on a purchase of the same property that tax shall be  
15 credited against the tax under this subsection.

16 **SECTION 183.** 77.72 (title) of the statutes is repealed.

17 **SECTION 184.** 77.72 (1) of the statutes is renumbered 77.72 and amended to  
18 read:

19 **77.72 General rule for ~~property~~.** For the purposes of this subchapter, all  
20 retail sales of tangible personal property ~~are completed at the time when, and the~~  
21 ~~place where, the seller or the seller's agent transfers possession to the buyer or the~~  
22 ~~buyer's agent. In this subsection, a common carrier or the U.S. postal service is the~~  
23 ~~agent of the seller, regardless of any f.o.b. point and regardless of the method by~~  
24 ~~which freight or postage is paid. Rentals and leases of property, except property~~

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1 ~~under sub. (2), have a situs at the location of that property and taxable services occur~~  
2 ~~as provided in s. 77.522.~~

3 **SECTION 185.** 77.72 (2) and (3) of the statutes are repealed.

4 **SECTION 186.** 77.77 (1) of the statutes is renumbered 77.77 (1) (a) and amended  
5 to read:

6 77.77 (1) (a) ~~The gross receipts sales price~~ from services subject to the tax under  
7 s. 77.52 (2) ~~are not~~ is subject to the taxes under this subchapter, and the incremental  
8 amount of tax caused by a rate increase applicable to those services is ~~not~~ due, ~~if these~~  
9 ~~services are billed to the customer and paid for before~~ beginning with the first billing  
10 period starting on or after the effective date of the county ordinance, special district  
11 resolution, or rate increase, regardless of whether the service is furnished to the  
12 customer before or after that date.

13 **SECTION 187.** 77.77 (1) (b) of the statutes is created to read:

14 77.77 (1) (b) The sales price from services subject to the tax under s. 77.52 (2)  
15 is subject to the taxes under this subchapter, and the incremental amount of tax  
16 caused by a rate decrease applicable to those services is due, beginning with bills  
17 rendered on or after the effective date of the county ordinance, special district  
18 resolution, or rate decrease, regardless of whether the service is furnished to the  
19 customer before or after that date.

20 **SECTION 188.** 77.785 (1) of the statutes is amended to read:

21 77.785 (1) All retailers shall collect and report the taxes under this subchapter  
22 on the ~~gross receipts sales price~~ from leases and rentals of property under s. 77.71  
23 (4).

24 **SECTION 189.** 77.785 (2) of the statutes is amended to read:

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1           77.785 (2) Prior to registration or titling, a retailer of a boat, all-terrain vehicle,  
2 trailer and semi-trailer dealers and licensed aircraft, motor vehicle, or mobile home  
3 and snowmobile dealers shall collect the taxes under this subchapter on sales of  
4 items under s. 77.71 (4). The ~~dealer~~ retailer shall remit those taxes to the  
5 department of revenue along with payments of the taxes under subch. III.

6           **SECTION 190.** 77.98 of the statutes is amended to read:

7           **77.98 Imposition.** A local exposition district under subch. II of ch. 229 may  
8 impose a tax on the retail sale, except sales for resale, within the district's  
9 jurisdiction under s. 229.43 of ~~products that are subject to a tax under s. 77.54 (20)~~  
10 ~~(e) 1. to 3. and not~~ candy, as defined in s. 77.51 (1e), prepared food, as defined in s.  
11 77.51 (10m), and soft drinks, as defined in s. 77.51 (17w), unless exempt from the  
12 sales tax under s. 77.54 (1), (4), (7) (a), (7m), (9), (9a) or (20) (e) 5., (20n) (b) and (c),  
13 and (20r).

14           **SECTION 191.** 77.981 of the statutes is amended to read:

15           **77.981 Rate.** The tax under s. 77.98 is imposed on the sale of taxable products  
16 at the rate of 0.25% of the ~~gross receipts~~ sales price, except that the district, by a vote  
17 of a majority of the authorized members of its board of directors, may impose the tax  
18 at the rate of 0.5% of the ~~gross receipts~~ sales price. A majority of the authorized  
19 members of the district's board may vote that, if the balance in a special debt service  
20 reserve fund of the district is less than the requirement under s. 229.50 (5), the tax  
21 rate under this subchapter is 0.5%. The 0.5% rate shall be effective on the next  
22 January 1, April 1, July 1 or October 1, and this tax is irrevocable if any bonds issued  
23 by the district and secured by the special debt service reserve fund are outstanding.

24           **SECTION 192.** 77.982 (2) of the statutes is amended to read:

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1           77.982 (2) Sections 77.51 (4) (a), (b) 1., 2. and 4., (e) 1. to 3. and (d) (12m), (14),  
2           (a) to (f), (j) and (k) and (14g), (15a), and (15b), 77.52 (3), (6), (3m), (4), (13), (14), (18)  
3           and (19), 77.522, 77.58 (1) to (5), (6m), and (7), 77.585, 77.59, 77.60, 77.61 (2), (3m),  
4           (5), (8), (9) and, (12) to (14), and (15), and 77.62, as they apply to the taxes under  
5           subch. III, apply to the tax under this subchapter. Sections ~~77.72 (1) and Section~~  
6           77.73, as ~~they apply it applies~~ to the taxes under subch. V, apply applies to the tax  
7           under this subchapter.

8           **SECTION 193.** 77.99 of the statutes is amended to read:

9           **77.99 Imposition.** A local exposition district under subch. II of ch. 229 may  
10          impose a tax at the rate of 3% of the ~~gross receipts~~ sales price on the rental, but not  
11          for rental and not for rental as a service or repair replacement vehicle, within the  
12          district's jurisdiction under s. 229.43, of Type 1 automobiles, as defined in s. 340.01  
13          (4) (a), by establishments primarily engaged in short-term rental of passenger cars  
14          without drivers, for a period of 30 days or less, unless the sale is exempt from the sales  
15          tax under s. 77.54 (1), (4), (7) (a), (7m), (9) or (9a). If the state makes a payment under  
16          s. 229.50 (7) to a district's special debt service reserve fund, a majority of the district's  
17          authorized board of directors may vote to increase the tax rate under this subchapter  
18          to 4%.

19          **SECTION 194.** 77.991 (2) of the statutes is amended to read:

20          77.991 (2) Sections 77.51 (4) (a), (b) 1., 2. and 4., (e) 1. to 3. and (d) and (12m),  
21          (14) (a) to (f), (j) and (k), (14g), (15a), and (15b), 77.52 (3), (3m), (4), (6), (13), (14) and,  
22          (18), and (19), 77.522, 77.58 (1) to (5), (6m), and (7), 77.585, 77.59, 77.60, 77.61 (2),  
23          (3m), (5), (8), (9) and, (12) to (14), and (15), and 77.62, as they apply to the taxes under  
24          subch. III, apply to the tax under this subchapter. Sections ~~77.72 (1) and (2) (a) and~~  
25          Section 77.73, as ~~they apply it applies~~ to the taxes under subch. V, apply applies to

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1 the tax under this subchapter. The renter shall collect the tax under this subchapter  
2 from the person to whom the passenger car is rented.

3 **SECTION 195.** 77.994 (1) (intro.) of the statutes is amended to read:

4 77.994 (1) (intro.) Except as provided in sub. (2), a municipality or a county all  
5 of which is included in a premier resort area under s. 66.1113 may, by ordinance,  
6 impose a tax at a rate of 0.5% of the ~~gross receipts~~ sales price from the sale, license,  
7 lease, or rental in the municipality or county of goods or services that are taxable  
8 under subch. III made by businesses that are classified in the standard industrial  
9 classification manual, 1987 edition, published by the U.S. office of management and  
10 budget, under the following industry numbers:

11 **SECTION 196.** 77.9941 (4) of the statutes is amended to read:

12 77.9941 (4) Sections 77.72 (1), ~~(2) (a) and (3) (a)~~, 77.73, 77.74, 77.75, 77.76 (1),  
13 (2), and (4), 77.77 (1) and (2), 77.785 (1), and 77.79, as they apply to the taxes under  
14 subch. V, apply to the tax under this subchapter.

15 **SECTION 197.** 77.995 (2) of the statutes is amended to read:

16 77.995 (2) There is imposed a fee at the rate of 3%, or 5% for the rental of  
17 limousines, of the ~~gross receipts~~ sales price on the rental, but not for rental and not  
18 for rental as a service or repair replacement vehicle of Type 1 automobiles, as defined  
19 in s. 340.01 (4) (a); of mobile homes, as defined in s. 340.01 (29); of motor homes, as  
20 defined in s. 340.01 (33m); and of camping trailers, as defined in s. 340.01 (6m) by  
21 establishments primarily engaged in short-term rental of vehicles without drivers,  
22 for a period of 30 days or less, unless the sale is exempt from the sales tax under s.  
23 77.54 (1), (4), (7) (a), (7m) or (9a).

24 **SECTION 198.** 77.9951 (2) of the statutes is amended to read:

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1           77.9951 (2) Sections 77.51 (4) ~~(a), (b) 1., 2. and 4., (c) 1. to 3. and (d) and (12m),~~  
2           (14) ~~(a) to (f), (j) and (k), (15a), and (15b),~~ 77.52 (3m), (4), ~~(6)~~, (13), (14) and, (18), and  
3           (19), 77.58 (1) to (5), (6m), and (7), 77.585, 77.59, 77.60, 77.61 (2), (3m), (5), (8), (9)  
4           and, (12) to (14), and (15), and 77.62, as they apply to the taxes under subch. III, apply  
5           to the fee under this subchapter. The renter shall collect the fee under this  
6           subchapter from the person to whom the vehicle is rented.

7           **SECTION 199.** 86.195 (3) (b) 3. of the statutes is amended to read:

8           86.195 (3) (b) 3. Fifty percent of the gross receipts of the business are from ~~meal,~~  
9           ~~food, the sale of food product and beverage sales and food ingredients, as defined in~~  
10           s. 77.51 (3t), that are taxable under s. 77.54 (20) (e) subch. III of ch. 77; and

11           **SECTION 200.** 218.0171 (2) (cq) of the statutes is amended to read:

12           218.0171 (2) (cq) Upon payment of a refund to a consumer under par. (b) 2. b.,  
13           the manufacturer shall provide to the consumer a written statement that specifies  
14           the trade-in amount previously applied under s. 77.51 (4) ~~(b) 3. or 3m. or (15) (b) 4.~~  
15           ~~or 4m. (12m) (b) 5. or 6. or (15b) (b) 5. or 6.~~ toward the sales price of the motor vehicle  
16           having the nonconformity and the date on which the manufacturer provided the  
17           refund.

18           **SECTION 201. Nonstatutory provisions.**

19           (1) **THE STREAMLINED SALES AND USE TAX AGREEMENT.** The department of revenue  
20           shall notify the revisor of statutes of the effective date of this state's participation in  
21           the streamlined sales and use tax agreement, as described in section 77.65 of the  
22           statutes, no later than 30 days after such effective date is determined.

23           **SECTION 202. Appropriation changes.**

24           (1) **ADMINISTRATIVE COSTS RELATED TO THE STREAMLINED SALES AND USE TAX**  
25           **AGREEMENT.** In the schedule under section 20.005 (3) of the statutes for the

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1 appropriation to the department of revenue under section 20.566 (1) (a) of the  
2 statutes, as affected by the acts of 2003, the dollar amount is increased by \$25,000  
3 for fiscal year 2003–04 and the dollar amount is increased by \$25,000 for fiscal year  
4 2004–05 to pay for administrative costs related to the streamlined sales and use tax  
5 agreement.

6 **SECTION 203. Effective date.**

7 (1) This act takes effect on July 1, 2004.

8 (END)