

**ASSEMBLY BILL 646 (LRB -3555)**

An Act to amend 71.05 (6) (a) 15., 71.21 (4), 71.26 (2) (a), 71.34 (1) (g), 71.45 (2) (a) 10. and 77.92 (4); and to create 71.07 (5e), 71.10 (4) (cq), 71.28 (5e), 71.30 (3) (dq), 71.47 (5e) and 71.49 (1) (dq) of the statutes; relating to: an income and franchise tax credit for the sales and use taxes paid on the purchase of tangible personal property used in farming. (FE)

**2005**

03-01.	A.	Introduced by Representatives <b>Ainsworth, Albers, Ballweg, Bies, Gronemus, Gunderson, Hines, F. Lasee, Loeffelholz, Musser, Nerison, Ott, Petrowski, Suder, Towns and Vos</b> ; cosponsored by Senators <b>A. Lasee, Leibham, Olsen and Reynolds.</b>	
08-30.	A.	Read first time and referred to committee on Agriculture .....	444
09-06.	A.	Executive action taken.	
09-06.	A.	Assembly substitute amendment 1 offered by committee on Agriculture ( <b>LRB s0190</b> ) .....	452
09-07.	A.	Fiscal estimate received.	
09-15.	A.	Report Assembly Substitute Amendment 1 adoption recommended by committee on Agriculture, Ayes 13, Noes 0 .....	460
09-15.	A.	Report passage as amended recommended by committee on Agriculture, Ayes 13, Noes 0 .....	461
09-15.	A.	Referred to committee on Rules .....	461
09-15.	A.	Placed on calendar 9-20-2005 by committee on Rules.	
09-19.	A.	Assembly amendment 1 to Assembly substitute amendment 1 offered by Representative Friske ( <b>LRB a0988</b> ) .....	463
09-22.	A.	Read a second time .....	478
09-22.	A.	Assembly amendment 1 to Assembly substitute amendment 1 <b>adopted</b> .....	478
09-22.	A.	Assembly substitute amendment 1 <b>adopted</b> .....	478
09-22.	A.	Ordered to a third reading .....	478
09-22.	A.	Made a special order of business at 11:46 A.M. on 9-27-2005 pursuant to Assembly Resolution 38 .....	480
09-27.	A.	Read a third time and <b>passed</b> .....	506
09-27.	A.	Ordered immediately messaged .....	506
09-30.	S.	Received from Assembly .....	382
09-30.	S.	Read first time and referred to committee on Agriculture and Insurance .....	384
10-26.	S.	Public hearing held.	
11-28.	S.	Executive action taken.	
11-29.	S.	Report concurrence recommended by committee on Agriculture and Insurance, Ayes 5, Noes 2 .....	466
11-29.	S.	Available for scheduling.	
12-05.	S.	Rereferred to joint committee on Finance, pursuant to Senate Rule 41 (1)(e), by committee on Senate Organization, Ayes 5, Noes 0 .....	474

**2006**

02-14.	S.	Executive action taken.	
02-15.	S.	Report introduction and adoption of Senate Amendment 1 recommended by joint committee on Finance, Ayes 16, Noes 0 ( <b>LRB a2319</b> ) .....	596
02-15.	S.	Report introduction and adoption of Senate Amendment 2 recommended by joint committee on Finance, Ayes 15, Noes 1 ( <b>LRB a2320</b> ) .....	596
02-15.	S.	Report concurrence as amended recommended by joint committee on Finance, Ayes 12, Noes 4 .....	596
02-15.	S.	Available for scheduling.	
03-01.	S.	Placed on calendar 3-2-2006 by committee on Senate Organization.	
03-02.	S.	Read a second time.	
03-02.	S.	Senate amendment 1 <b>adopted</b> .	
03-02.	S.	Senate amendment 2 <b>adopted</b> .	
03-02.	S.	Ordered to a third reading.	
03-02.	S.	Rules suspended.	
03-02.	S.	Read a third time and <b>concurred in</b> as amended, Ayes 19, Noes 13.	
03-02.	S.	Ordered immediately messaged.	
03-09.	A.	Received from Senate amended and concurred in as amended (Senate amendments 1 and 2 adopted) .....	966
03-09.	A.	Senate amendment 1 <b>concurred in</b> .....	967
03-09.	A.	Senate amendment 2 <b>concurred in</b> .....	967
03-09.	A.	Action ordered immediately messaged .....	967

**2005  
ENROLLED BILL**

05en AB-646

**ADOPTED DOCUMENTS:**

Orig     Engr

A SubAmdt 1 ✓

05 50190/1 ✓

Amendments to above (if none, write "NONE"):

AA1 - a 0988/1 ✓

SA1 - a 2319/1 ✓

SA2 - a 2320/1 ✓

Corrections - show date (if none, write "NONE"):

None ✓

Topic

Rel

3-13-06

Date

JR Miller

Enrolling Drafter

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**ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 2005 ASSEMBLY BILL 646**

September 6, 2005 - Offered by COMMITTEE ON AGRICULTURE.

1 **AN ACT to repeal 77.54 (34); and to amend 77.54 (3) (a) of the statutes; relating**  
2 **to: a sales tax and use tax exemption on tangible personal property used in the**  
3 **business of farming.**

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***Analysis by the Legislative Reference Bureau***

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

Under this substitute amendment, tractors and other machines, lubricants, nonpowered equipment, and other tangible personal property that are used exclusively and directly, or are consumed or lose their identities, in the business of farming, including horticulture and floriculture, are exempt from the sales tax and the use tax.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

4 **SECTION 1.** 77.54 (3) (a) of the statutes is amended to read:  
5 77.54 (3) (a) The gross receipts from the sales of and the storage, use, or other  
6 consumption of tractors and machines, including accessories, attachments, and

1 parts ~~therefor~~, lubricants, nonpowered equipment, and other tangible personal  
 2 property that are used exclusively and directly, or are consumed or lose their  
 3 identities, in the business of farming, including dairy farming, agriculture,  
 4 horticulture, floriculture, and custom farming services, but excluding automobiles,  
 5 trucks, and other motor vehicles for highway use; excluding personal property that  
 6 is attached to, fastened to, connected to, or built into real property or that becomes  
 7 an addition to, component of, or capital improvement of real property; and excluding  
 8 tangible personal property used or consumed in the erection of buildings or in the  
 9 alteration, repair, or improvement of real property, regardless of any contribution  
 10 that that personal property makes to the production process in that building or real  
 11 property and regardless of the extent to which that personal property functions as  
 12 a machine, except as provided in par. (c).

✓  
INSERT  
A1-1

INSERT S1-1 ✓

13 SECTION 2. 77.54 (34) of the statutes is repealed.

14 SECTION 3. Effective date.

15 (1) This act takes effect on ~~the first day of the 2nd month beginning after~~  
 16 ~~publication.~~

✓

INSERT S2-1

17 (END)

**ASSEMBLY AMENDMENT 1,  
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 2005 ASSEMBLY BILL 646**

September 19, 2005 - Offered by Representative FRISKE.

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

2 1. Page 2, line 4: after "floriculture," insert "silviculture".

3 (END)

A1-1



**SENATE AMENDMENT 1,  
TO 2005 ASSEMBLY BILL 646**

February 15, 2006 - Offered by JOINT COMMITTEE ON FINANCE.

1 At the locations indicated, amend the bill, as shown by assembly substitute  
2 amendment 1, as follows:

3 **1.** Page 2, line 12: after that line insert:

4 **SECTION 1d.** 77.54 (3m) (intro.) of the statutes is amended to read:

5 77.54 (3m) (intro.) The gross receipts from the sale of and the storage, use or  
6 other consumption of the following items if they are used exclusively by the  
7 purchaser or user in the business of farming; including dairy farming, agriculture,  
8 horticulture, floriculture, silviculture, and custom farming services:

9 **SECTION 1m.** 77.54 (30) (a) 3. of the statutes is amended to read:

10 77.54 (30) (a) 3. Electricity sold for use in farming, including but not limited  
11 to agriculture, dairy farming, floriculture, silviculture, and horticulture.

12 **SECTION 1n.** 77.54 (30) (a) 5. of the statutes is amended to read:

SI-1 ✓



