

2007 DRAFTING REQUEST

Bill

Received: 11/09/2006

Received By: jkreye

Wanted: As time permits

Identical to LRB:

For: Marlin Schneider (608) 266-0215

By/Representing:

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters:

Subject: Tax, Other - sales

Extra Copies:

Submit via email: YES

Requester's email: Rep.Schneider@legis.wisconsin.gov

Carbon copy (CC:) to: joseph.kreye@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Sales and use tax on purchases made with a manufacturer's rebate

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 11/09/2006	kfollett 11/09/2006		_____			S&L
/1			rschluet 11/09/2006	_____	sbasford 11/09/2006	lparisi 11/09/2006	

FE Sent For:

<END>

→ AT Intro.

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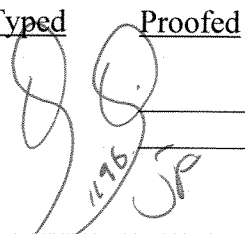
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/?	jkreye						

FE Sent For:

<END>

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D-N

PWF

2005 ASSEMBLY BILL 371

April 27, 2005 - Introduced by Representatives SCHNEIDER, WASSERMAN, JENSEN and ALBERS. Referred to Committee on Ways and Means.

Regen

- 1 AN ACT to amend 77.51 (4) (b) 1. and 77.51 (15) (b) 1. of the statutes; relating
- 2 to: the sales tax and the use tax on purchases made with a manufacturer's
- 3 rebate.

Analysis by the Legislative Reference Bureau

Under current law, the state imposes a sales tax on all retailers at the rate of 5 percent of the gross receipts from the sale of tangible personal property. The retailer generally passes the sales tax on to the consumer. The state also imposes a use tax on all consumers, at the rate of 5 percent of the sales price for the use or storage of tangible personal property in this state that the consumer either purchases from out-of-state retailers or purchases without paying the appropriate sales tax. Under current law, when a consumer purchases tangible personal property that qualifies for a manufacturer's rebate, the consumer pays either a sales tax or a use tax on the original price of the tangible personal property rather than on the price as reduced by the manufacturer's rebate.

Under this bill, when a consumer purchases tangible personal property, other than motor vehicles, that qualifies for a manufacturer's rebate, the consumer pays either a sales tax or a use tax on the price of the tangible personal property as reduced by the manufacturer's rebate rather than on the original price.

ASSEMBLY BILL 371

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. 77.51 (4) (b) 1. of the statutes is amended to read:

2 77.51 (4) (b) 1. Cash or term discounts; or amounts paid by the manufacturer
 3 of the item sold, not including a motor vehicle, as defined in s. 340.01 (35), that reduce
 4 the amount paid by the buyer of the item; allowed and taken on sales.

5 SECTION 2. 77.51 (15) (b) 1. of the statutes is amended to read:

6 77.51 (15) (b) 1. Cash discounts; or amounts paid by the manufacturer of the
 7 item sold, not including a motor vehicle, as defined in s. 340.01 (35), that reduce the
 8 amount paid by the buyer of the item; allowed and taken on sales.

9 SECTION 3. Initial applicability.

10 (1) MANUFACTURERS' REBATES. This act first applies to sales on the effective date
 11 of this subsection.

12 SECTION 4. Effective date.

13 (1) MANUFACTURERS' REBATES. This act takes effect on the 7th day beginning
 14 after publication.

15 (END)

D- Note

STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU

LRB

Research (608-266-0341)

Library (608-266-7040)

Legal (608-266-3561)

LRB

Date

06/07/04
JK: kjf

Representative Schneider:

This draft is based on 2005 assembly Bill 371.

JK



DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0667/1dn
JK:kjf:rs

November 9, 2006

Representative Schneider:

This draft is based on 2005 Assembly Bill 371.

Joseph T. Kreye
Legislative Attorney
Phone: (608) 266-2263
E-mail: joseph.kreye@legis.wisconsin.gov

Duerst, Christina

From: Schneider, Marlin
Sent: Thursday, November 09, 2006 3:06 PM
To: LRB.Legal
Subject: Draft Review: LRB 07-0667/1 Topic: Sales and use tax on purchases made with a manufacturer's rebate

Please Jacket LRB 07-0667/1 for the ASSEMBLY.