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1 **SECTION 159.** 77.52 (15) of the statutes is amended to read:

2 77.52 (15) If a purchaser who ~~gives a resale certificate~~ purchases tangible
3 personal property, items or property under sub. (1) (b) or (c), specified digital goods,
4 additional digital goods, or taxable services without paying a sales tax or use tax on
5 such purchase because such property, items, goods, or services were for resale makes
6 any use of the property, items, goods, or services other than retention, demonstration
7 or display while holding it the property, items, goods, or services for sale, lease or
8 rental in the regular course of the purchaser's operations, the use shall be taxable
9 to the purchaser under s. 77.53 as of the time that the property is, items, goods, or
10 services are first used by the purchaser, and the sales purchase price of the property,
11 items, goods, or services to the purchaser shall be the measure of the tax. Only when
12 there is an unsatisfied use tax liability on this basis because the seller has provided
13 incorrect information about that transaction to the department shall the seller be
14 liable for sales tax with respect to the sale of the property to the purchaser.

15 **SECTION 160.** 77.52 (16) of the statutes is amended to read:

16 77.52 (16) Any person who gives a resale certificate for property, items or
17 property under sub. (1) (b) or (c), specified digital goods, additional digital goods, or
18 services which that person knows at the time of purchase is not to be resold by that
19 person in the regular course of that person's operations as a seller for the purpose of
20 evading payment to the seller of the amount of the tax applicable to the transaction
21 is guilty of a misdemeanor. Any person certifying to the seller that the sale of
22 property, items or property under sub. (1) (b) or (c), specified digital goods, additional
23 digital goods, or taxable service is exempt, knowing at the time of purchase that it
24 is not exempt, for the purpose of evading payment to the seller of the amount of the
25 tax applicable to the transaction, is guilty of a misdemeanor.

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1 **SECTION 161.** 77.52 (19) of the statutes is amended to read:

2 77.52 (19) The department shall by rule provide for the efficient collection of
3 the taxes imposed by this subchapter on sales of property, items or property under
4 sub. (1) (b) or (c), specified digital goods, additional digital goods, or services by
5 persons not regularly engaged in selling at retail in this state or not having a
6 permanent place of business, but who are temporarily engaged in selling from
7 trucks, portable roadside stands, concessions at fairs and carnivals, and the like. The
8 department may authorize such persons to sell property, items or property under
9 sub. (1) (b) or (c), specified digital goods, or additional digital goods or sell, perform,
10 or furnish services on a permit or nonpermit basis as the department by rule
11 prescribes and failure of any person to comply with such rules constitutes a
12 misdemeanor.

13 **SECTION 162.** 77.52 (20) of the statutes is created to read:

14 77.52 (20) (a) Except as provided in par. (b), the entire sales price of a bundled
15 transaction is subject to the tax imposed under this subchapter.

16 (b) At the retailer's option, if the retailer can identify, by reasonable and
17 verifiable standards from the retailer's books and records that are kept in the
18 ordinary course of its business for other purposes, including purposes unrelated to
19 taxes, the portion of the price that is attributable to products that are not subject to
20 the tax imposed under this subchapter, that portion of the sales price is not taxable
21 under this subchapter. This paragraph does not apply to a bundled transaction that
22 contains food and food ingredients, drugs, durable medical equipment, mobility
23 enhancing equipment, prosthetic devices, or medical supplies.

24 **SECTION 163.** 77.52 (21) of the statutes is created to read:

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1 77.52 (21) A person who provides a product that is not a distinct and
2 identifiable product because it is provided free of charge, as provided in s. 77.51 (3pf)
3 (b), is the consumer of that product and shall pay the tax imposed under this
4 subchapter on the purchase price of that product.

5 **SECTION 164.** 77.52 (22) of the statutes is created to read:

6 77.52 (22) With regard to transactions described in s. 77.51 (1f) (b), the service
7 provider is the consumer of the tangible personal property, specified digital goods,
8 or additional digital goods and shall pay the tax imposed under this subchapter on
9 the purchase price of the property or goods.

10 **SECTION 165.** 77.52 (23) of the statutes is created to read:

11 77.52 (23) With regard to transactions described in s. 77.51 (1f) (c), the service
12 provider is the consumer of the service that is essential to the use or receipt of the
13 other service and shall pay the tax imposed under this subchapter on the purchase
14 price of the service that is essential to the use or receipt of the other service.

15 **SECTION 166.** 77.522 of the statutes is created to read:

16 **77.522 Sourcing. (1) GENERAL.** (a) In this section:

17 1. "Direct mail form" means a form for direct mail prescribed by the
18 department.

19 2. "Receive" means taking possession of tangible personal property; making
20 first use of services; or taking possession or making first use of digital goods,
21 whichever comes first. "Receive" does not include a shipping company taking
22 possession of tangible personal property on a purchaser's behalf.

23 3. "Transportation equipment" means any of the following:

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

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1 b. Trucks and truck tractors that have a gross vehicle weight rating of 10,001
2 pounds or greater, trailers, semitrailers, and passenger buses, if such vehicles are
3 registered under the international registration plan and operated under the
4 authority of a carrier that is authorized by the federal government to carry persons
5 or property in interstate commerce.

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

9 d. Containers that are designed for use on the vehicles described in subd. 4. a.
10 to c. and component parts attached to or secured on such vehicles.

11 (b) Except as provided in par. (c) and subs. (2), (3), and (4), the location of a sale
12 is determined as follows:

13 1. If a purchaser receives the product at a seller's business location, the sale
14 occurs at that business location.

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

19 3. If the location of a sale of a product cannot be determined under subs. 1. and
20 2., the sale occurs at the purchaser's address as indicated by the seller's business
21 records, if the records are maintained in the ordinary course of the seller's business
22 and if using that address to establish the location of a sale is not in bad faith.

23 4. If the location of a sale of a product cannot be determined under subs. 1. to
24 3., the sale occurs at the purchaser's address as obtained during the consummation

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1 of the sale, including the address indicated on the purchaser's payment instrument,
2 if no other address is available and if using that address is not in bad faith.

3 5. If the location of a sale of a product cannot be determined under subs. 1. to
4 4., the location of the sale is determined as follows:

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

7 b. If the item sold is a digital good, or computer software delivered
8 electronically, the sale occurs at the location from which the digital good or computer
9 software was first available for transmission by the seller.

10 c. If a service is sold, the sale occurs at the location from which the service was
11 provided.

12 (c) The sale of direct mail occurs at the location from which the direct mail is
13 shipped, if the purchaser does not provide to the seller a direct pay permit, a direct
14 mail form, or other information that indicates the appropriate taxing jurisdiction to
15 which the direct mail is delivered to the ultimate recipients. If the purchaser
16 provides a direct mail form or direct pay permit to the seller, the purchaser shall pay
17 or remit, as appropriate, to the department the tax imposed under s. 77.53 on all
18 purchases for which the tax is due and the seller is relieved from liability for
19 collecting such tax. A direct mail form provided to a seller under this paragraph shall
20 remain effective for all sales by the seller who received the form to the purchaser who
21 provided the form, unless the purchaser revokes the form in writing and provides
22 such revocation to the seller.

23 **(2) LEASE OR RENTAL.** (a) Except as provided in pars. (b) and (c), with regard
24 to the first or only payment on the lease or rental, the lease or rental of tangible
25 personal property occurs at the location determined under sub. (1) (b). If the property

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1 is moved from the place where the property was initially delivered, the subsequent
2 periodic payments on the lease or rental occur at the property's primary location as
3 indicated by an address for the property that is provided by the lessee and that is
4 available to the lessor in records that the lessor maintains in the ordinary course of
5 the lessor's business, if the use of such an address does not constitute bad faith. The
6 location of a lease or rental as determined under this paragraph shall not be altered
7 by any intermittent use of the property at different locations.

8 (b) The lease or rental of motor vehicles, trailers, semitrailers, and aircraft,
9 that are not transportation equipment, occurs at the primary location of such motor
10 vehicles, trailers, semitrailers, or aircraft as indicated by an address for the property
11 that is provided by the lessee and that is available to the lessor in records that the
12 lessor maintains in the ordinary course of the lessor's business, if the use of such an
13 address does not constitute bad faith, except that a lease or rental under this
14 paragraph that requires only one payment occurs at the location determined under
15 sub. (1) (b). The location of a lease or rental as determined under this paragraph shall
16 not be altered by any intermittent use of the property at different locations.

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

19 (d) A license of tangible personal property, items or property under s. 77.52 (1)
20 (b) or (c), specified digital goods, or additional digital goods shall be treated as a lease
21 or rental of tangible personal property under this subsection.

22 **(3) TELECOMMUNICATIONS.** (a) In this subsection:

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

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

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

6 4. "Customer" means a person who enters into a contract with a seller of
7 telecommunications services or, in any transaction for which the end user is not the
8 person who entered into a contract with the seller of telecommunications services,
9 the end user of the telecommunications services. "Customer" does not include a
10 person who resells telecommunications services or, for mobile telecommunications
11 services, a serving carrier under an agreement to serve a customer outside the home
12 service provider's licensed service area.

13 5. "Customer channel termination point" means the location where a customer
14 inputs or receives communications.

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

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

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

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

22 10. "Postpaid calling service" means a telecommunications service that is
23 obtained by paying for it on a call-by-call basis using a bankcard, travel card, credit
24 card, debit card, or similar method, or by charging it to a telephone number that is
25 not associated with the location where the telecommunications service originates or

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1 terminates. "Postpaid calling service" includes a telecommunications service, not
2 including a prepaid wireless calling service, that would otherwise be a prepaid
3 calling service except that the service provided to the customer is not exclusively a
4 telecommunications service.

5 14. "Radio service" means a communication service provided by the use of radio,
6 including radiotelephone, radiotelegraph, paging, and facsimile service.

7 15. "Radiotelegraph service" means transmitting messages from one place to
8 another by means of radio.

9 16. "Radiotelephone service" means transmitting sound from one place to
10 another by means of radio.

11 (b) Except as provided in pars. (d) to (j), the sale of a telecommunications service
12 that is sold on a call-by-call basis occurs in the taxing jurisdiction for sales and use
13 tax purposes where the call originates and terminates, in the case of a call that
14 originates and terminates in the same such jurisdiction, or the taxing jurisdiction for
15 sales and use tax purposes where the call originates or terminates and where the
16 service address is located.

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

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

23 (e) The sale of a postpaid calling service occurs at the location where the signal
24 of the telecommunications service originates, as first identified by the seller's
25 telecommunications system or, if the signal is not transmitted by the seller's

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1 telecommunications system, by information that the seller received from the seller's
2 service provider.

3 (f) The sale of a prepaid calling service or a prepaid wireless calling service
4 occurs at the location determined under sub. (1) (b), except that, if the service is a
5 prepaid wireless calling service and the location cannot be determined under sub. (1)
6 (b) 1. to 4., the prepaid wireless calling service occurs at the location determined
7 under sub. (1) (b) 5. c. or at the location associated with the mobile telephone number,
8 as determined by the seller.

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

12 2. The sale of a private communication service in which all customer channel
13 termination points are located entirely in one taxing jurisdiction for sales and use
14 tax purposes occurs in the taxing jurisdiction in which the customer channel
15 termination points are located.

16 3. If the segments are charged separately, the sale of a private communication
17 service that represents segments of a communications channel between 2 customer
18 channel termination points that are located in different taxing jurisdictions for sales
19 and use tax purposes occurs in an equal percentage in both such jurisdictions.

20 4. If the segments are not charged separately, the sale of a private
21 communication service for segments of a communications channel that is located in
22 more than one taxing jurisdiction for sales and use tax purposes occurs in each such
23 jurisdiction in a percentage determined by dividing the number of customer channel
24 termination points in that jurisdiction by the number of customer channel

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1 termination points in all jurisdictions where segments of the communications
2 channel are located.

3 (h) The sale of an Internet access service occurs at the customer's place of
4 primary use.

5 (i) The sale of ancillary services occurs at the customer's place of primary use.

6 (j) If the location of the customer's service address, channel termination point,
7 or place of primary use is not known, the location where the seller receives or hands
8 off the signal shall be considered, for purposes of this section, the customer's service
9 address, channel termination point, or place of primary use.

10 **(4) FLORISTS.** (a) For purposes of this subsection, "retail florist" means a person
11 engaged in the business of selling cut flowers, floral arrangements, and potted plants
12 and who prepares such flowers, floral arrangements, and potted plants. "Retail
13 florist" does not include a person who sells cut flowers, floral arrangements, and
14 potted plants primarily by mail or via the Internet.

15 (b) Sales by a retail florist occur at the location determined by rule by the
16 department.

17 (c) This subsection does not apply to sales occurring on or after January 1, 2010.

18 **SECTION 167.** 77.523 (title) of the statutes is repealed.

19 **SECTION 168.** 77.523 of the statutes is renumbered 77.59 (9p) (a) and amended
20 to read:

21 77.59 **(9p)** (a) If a customer purchases a service that is subject to 4 USC 116
22 to 126, as amended by P.L. 106-252, and if the customer believes that the amount
23 of the tax assessed for the service under this subchapter or the place of primary use
24 or taxing jurisdiction assigned to the service is erroneous, the customer may request
25 that the service provider correct the alleged error by sending a written notice to the

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1 service provider. The notice shall include a description of the alleged error, the street
2 address for the customer's place of primary use of the service, the account name and
3 number of the service for which the customer seeks a correction, and any other
4 information that the service provider reasonably requires to process the request.
5 Within 60 days from the date that a service provider receives a request under this
6 ~~section~~ paragraph, the service provider shall review its records to determine the
7 customer's taxing jurisdiction. If the review indicates that there is no error as
8 alleged, the service provider shall explain the findings of the review in writing to the
9 customer. If the review indicates that there is an error as alleged, the service
10 provider shall correct the error and shall refund or credit the amount of any tax
11 collected erroneously, along with the related interest, as a result of the error from the
12 customer in the previous 48 months, consistent with s. 77.59 (4). A customer may
13 take no other action against the service provider, or commence any action, to correct
14 an alleged error in the amount of the tax assessed under this subchapter on a service
15 that is subject to 4 USC 116 to 126, as amended by P.L. 106-252, or to correct an
16 alleged error in the assigned place of primary use or taxing jurisdiction, unless the
17 customer has exhausted his or her remedies under this ~~section~~ paragraph.

18 **SECTION 169.** 77.524 (1) (a) of the statutes is renumbered 77.524 (1) (am).

19 **SECTION 170.** 77.524 (1) (ag) of the statutes is created to read:

20 77.524 (1) (ag) "Agent" means a person appointed by a seller to represent the
21 seller before the states that are signatories to the agreement, as defined in s. 77.65
22 (2) (a).

23 **SECTION 171.** 77.524 (1) (b) of the statutes is renumbered 77.51 (1g) and
24 amended to read:

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1 77.51 (1g) "Certified service provider" means an agent that is certified jointly
2 by the states that are signatories to the agreement, as defined in s. 77.65 (2) (a), and
3 that performs all of a seller's sales tax and use tax functions related to the seller's
4 retail sales, except that a certified service provider is not responsible for a retailer's
5 obligation to remit tax on the retailer's own purchases.

6 **SECTION 172.** 77.525 of the statutes is amended to read:

7 **77.525 Reduction to prevent double taxation.** Any person who is subject
8 to the tax under s. 77.52 (2) (a) 5. ~~a.~~ on telecommunications services that terminate
9 in this state and who has paid a similar tax on the same services to another state may
10 reduce the amount of the tax remitted to this state by an amount equal to the similar
11 tax properly paid to another state on those services or by the amount due this state
12 on those services, whichever is less. That person shall refund proportionally to the
13 persons to whom the tax under s. 77.52 (2) (a) 5. ~~a.~~ was passed on an amount equal
14 to the amounts not remitted.

15 **SECTION 173.** 77.53 (1) of the statutes is amended to read:

16 77.53 (1) Except as provided in sub. (1m), an excise tax is levied and imposed
17 on the use or consumption in this state of taxable services under s. 77.52 purchased
18 from any retailer, at the rate of 5% of the sales purchase price of those services; on
19 the storage, use or other consumption in this state of tangible personal property and
20 items or property under s. 77.52 (1) (b) or (c) purchased from any retailer, at the rate
21 of 5% of the sales purchase price of that the property or items; on the storage, use,
22 or other consumption of specified digital goods or additional digital goods purchased
23 from any retailer, regardless of whether the purchaser has the right to permanently
24 use such goods or whether the purchaser's right to access or retain such goods is not
25 permanent, at the rate of 5% of the sales price of such goods; and on the storage, use

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1 or other consumption of tangible personal property manufactured, processed or
2 otherwise altered, in or outside this state, by the person who stores, uses or consumes
3 it, from material purchased from any retailer, at the rate of 5% of the sales purchase
4 price of that material.

5 **SECTION 174.** 77.53 (1b) of the statutes, as created by 2007 Wisconsin Act 20,
6 is repealed and recreated to read:

7 77.53 (1b) The storage, use, or other consumption in this state of tangible
8 personal property, ^{or} items or property under s. 77.52 (1) (b) or (c), specified digital
9 goods, or additional digital goods, and the use or other consumption in this state of
10 a taxable service, purchased from any retailer is subject to the tax imposed in this
11 section unless an exemption in this subchapter applies.

12 **SECTION 175.** 77.53 (2) of the statutes is amended to read:

13 77.53 (2) Every person storing, using, or otherwise consuming in this state
14 tangible personal property, items or property specified under s. 77.52 (1) (b) or (c),
15 specified digital goods, additional digital goods, or taxable services purchased from
16 a retailer is liable for the tax imposed by this section. The person's liability is not
17 extinguished until the tax has been paid to this state, but a receipt with the tax
18 separately stated from a retailer engaged in business in this state or from a retailer
19 who is authorized by the department, under such rules as it prescribes, to collect the
20 tax and who is regarded as a retailer engaged in business in this state for purposes
21 of the tax imposed by this section given to the purchaser under sub. (3) relieves the
22 purchaser from further liability for the tax to which the receipt refers.

23 **SECTION 176.** 77.53 (3) of the statutes is amended to read:

24 77.53 (3) Every retailer engaged in business in this state and making sales of
25 tangible personal property, items or property under s. 77.52 (1) (b) or (c), specified

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1 digital goods, additional digital goods, or taxable services for delivery into this state
2 or with knowledge directly or indirectly that the property or service is intended for
3 storage, use or other consumption in that are sourced to this state under s. 77.522,
4 shall, at the time of making the sales or, if the storage, use or other consumption of
5 the tangible personal property or taxable service is not then taxable under this
6 section, at the time the storage, use or other consumption becomes taxable, collect
7 the tax from the purchaser and give to the purchaser a receipt in the manner and
8 form prescribed by the department.

9 **SECTION 177.** 77.53 (4) of the statutes is repealed.

10 **SECTION 178.** 77.53 (9) of the statutes is amended to read:

11 77.53 (9) Every retailer selling tangible personal property, items or property
12 under s. 77.52 (1) (b) or (c), specified digital goods, additional digital goods, or taxable
13 services for storage, use or other consumption in this state shall register with the
14 department and obtain a certificate under s. 73.03 (50) and give the name and
15 address of all agents operating in this state, the location of all distribution or sales
16 houses or offices or other places of business in this state, the standard industrial code
17 classification of each place of business in this state and the other information that
18 the department requires. Any person who may register under this subsection may
19 designate an agent, as defined in s. 77.524 (1) (ag), to register with the department
20 under this subsection, in the manner prescribed by the department.

21 **SECTION 179.** 77.53 (9m) of the statutes is renumbered 77.53 (9m) (a) and
22 amended to read:

23 77.53 (9m) (a) Any person who is not otherwise required to collect any tax
24 imposed by this subchapter and who makes sales to persons within this state of
25 tangible personal property, items or property under s. 77.52 (1) (b) or (c), specified

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1 digital goods, additional digital goods, or taxable services the use of which is subject
2 to tax under this subchapter may register with the department under the terms and
3 conditions that the department imposes and shall obtain a valid certificate under s.
4 73.03 (50) and thereby be authorized and required to collect, report, and remit to the
5 department the use tax imposed by this subchapter.

6 **SECTION 180.** 77.53 (9m) (b) of the statutes is created to read:

7 77.53 (9m) (b) Any person who may register under par. (a) may designate an
8 agent, as defined in s. 77.524 (1) (ag), to register with the department under par. (a),
9 in the manner prescribed by the department.

10 **SECTION 181.** 77.53 (9m) (c) of the statutes is created to read:

11 77.53 (9m) (c) The registration under par. (a) by a person who is not otherwise
12 required to collect any tax imposed by this subchapter shall not be used as a factor
13 in determining whether the seller has nexus with this state for any tax at any time.

14 **SECTION 182.** 77.53 (10) of the statutes is amended to read:

15 77.53 (10) For the purpose of the proper administration of this section and to
16 prevent evasion of the use tax and the duty to collect the use tax, it is presumed that
17 tangible personal property, items or property under s. 77.52 (1) (b) or (c), specified
18 digital goods, additional digital goods, or taxable services sold by any person for
19 delivery in this state is sold for storage, use, or other consumption in this state until
20 the contrary is established. The burden of proving the contrary is upon the person
21 who makes the sale unless that person takes from the purchaser ~~a~~ an electronic or
22 paper certificate, in a manner prescribed by department, to the effect that the
23 property, items or property under s. 77.52 (1) (b) or (c), specified digital goods,
24 additional digital goods, or taxable service is purchased for resale, or otherwise
25 exempt from the tax, except that no certificate is required for sales of cattle, sheep,

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1 goats, and pigs that are sold at an animal market, as defined in s. 95.68 (1) (ag), and
 2 no certificate is required for sales of commodities, as defined in 7 USC 2, that are
 3 consigned for sale in a warehouse in or from which the commodity is deliverable on
 4 a contract for future delivery subject to the rules of a commodity market regulated
 5 by the U.S. commodity futures trading commission if upon the sale the commodity
 6 is not removed from the warehouse the sale of tangible personal property, items or
 7 property under s. 77.52 (1) (b) or (c), specified digital goods, additional digital goods,
 8 and services that are exempt under s. 77.54 (7), (7m), (8), (10), (11), (14), (15), (17),
 9 (20n), (21), (22b), (30), (31), (32), (35), (36), (37), (42), (44), (45), (46), (51), and (52),
 10 except as provided in s. 77.54 (30) (e) and (f).

11 **SECTION 183.** 77.53 (11) of the statutes is renumbered 77.53 (11) (a) and
 12 amended to read:

13 77.53 (11) (a) The certificate referred to in under sub. (10) relieves the person
 14 selling the property specified digital goods, additional digital goods, or service from
 15 the burden of proof of the tax otherwise applicable only if taken in good faith the
 16 seller obtains a fully completed exemption certificate, or the information required to
 17 prove the exemption, from a person who is engaged as a seller of tangible personal
 18 property or taxable services and who holds the permit provided for by s. 77.52 (9) and
 19 who, at the time of purchasing the purchaser no later than 90 days after the date of
 20 the sale of the tangible personal property, items or property under s. 77.52 (1) (b) or
 21 (c), specified digital goods, additional digital goods, or taxable service, intends to sell
 22 it in the regular course of operations or is unable to ascertain at the time of purchase
 23 whether the property or service will be sold or will be used for some other purpose,
 24 or if taken in good faith from a person claiming exemption, except as provided in par.
 25 (b). The certificate under sub. (10) shall not relieve the seller of the tax otherwise

items or property under s. 77.52 (1) (b) or (c),

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1 applicable if the seller fraudulently fails to collect sales tax or solicits the purchaser
2 to claim an unlawful exemption, accepts an exemption certificate from a purchaser
3 who claims to be an entity that is not subject to the taxes imposed under this
4 subchapter, if the subject of the transaction sought to be covered by the exemption
5 certificate is received by the purchaser at a location operated by the seller in this
6 state and the exemption certificate clearly and affirmatively indicates that the
7 claimed exemption is not available in this state. The certificate shall be signed by
8 and bear the name and address of provide information that identifies the purchaser
9 and shall indicate the number of the permit issued to the purchaser, the general
10 character of tangible personal property or taxable service sold by the purchaser and
11 the basis for the claimed exemption and a paper certificate shall be signed by the
12 purchaser. The certificate shall be substantially in the form that the department
13 prescribes by rule.

14 **SECTION 184.** 77.53 (11) (b) of the statutes is created to read:

15 77.53 (11) (b) If the seller has not obtained a fully completed exemption
16 certificate or the information required to prove the exemption, as provided in par. (a),
17 the seller may, no later than 120 days after the department requests that the seller
18 substantiate the exemption, either provide proof of the exemption to the department
19 by other means or obtain, in good faith, a fully completed exemption certificate from
20 the purchaser.

21 **SECTION 185.** 77.53 (12) of the statutes is amended to read:

22 77.53 (12) If a purchaser who gives a certificate makes any storage or use of
23 the property, items or property under s. 77.52 (1) (b) or (c), specified digital goods,
24 additional digital goods, or service other than retention, demonstration, or display
25 while holding it for sale in the regular course of operations as a seller, the storage or

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1 use is taxable as of the time the property, items or property under s. 77.52 (1) (b) or
2 (c), specified digital goods, additional digital goods, or service is first so stored or
3 used.

4 **SECTION 186.** 77.53 (14) of the statutes is amended to read:

5 77.53 (14) It is presumed that tangible personal property, items or property
6 under s. 77.52 (1) (b) or (c), specified digital goods, additional digital goods, or taxable
7 services shipped or brought to this state by the purchaser were purchased from or
8 serviced by a retailer.

9 **SECTION 187.** 77.53 (15) of the statutes is amended to read:

10 77.53 (15) It is presumed that tangible personal property, items or property
11 under s. 77.52 (1) (b) or (c), specified digital goods, additional digital goods, or taxable
12 services delivered outside this state to ~~a purchaser known by the retailer to be a~~
13 resident of this state were purchased from a retailer for storage, use, or other
14 consumption in this state and stored, used, or otherwise consumed in this state. This
15 presumption ~~may be controverted by a written statement, signed by the purchaser~~
16 ~~or an authorized representative, and retained by the seller that the property or~~
17 ~~service was purchased for use at a designated point outside this state.~~ This
18 presumption may also be controverted by other evidence satisfactory to the
19 department that the property, item, digital good, or service was not purchased for
20 storage, use, or other consumption in this state.

21 **SECTION 188.** 77.53 (16) of the statutes is amended to read:

22 77.53 (16) If the purchase, rental or lease of tangible personal property, items
23 or property under s. 77.52 (1) (b) or (c), specified digital goods, additional digital
24 goods, or service subject to the tax imposed by this section was subject to a sales tax
25 by another state in which the purchase was made, the amount of sales tax paid the

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1 other state shall be applied as a credit against and deducted from the tax, to the
2 extent thereof, imposed by this section, except no credit may be applied against and
3 deducted from a sales tax paid on the purchase of direct mail, if the direct mail
4 purchaser did not provide to the seller a direct pay permit, a direct mail form, or other
5 information that indicates the appropriate taxing jurisdiction to which the direct
6 mail is delivered to the ultimate recipients. In this subsection "sales tax" includes
7 a use or excise tax imposed on the use of tangible personal property, items or property
8 under s. 77.52 (1) (b) or (c), specified digital goods, additional digital goods, or taxable
9 service by the state in which the sale occurred and "state" includes the District of
10 Columbia ~~but does not include~~ and the commonwealth of Puerto Rico ~~or but does not~~
11 include the several territories organized by congress.

12 **SECTION 189.** 77.53 (17) of the statutes, as affected by 2007 Wisconsin Act 11,
13 is amended to read:

14 77.53 (17) This section does not apply to tangible personal property, items or
15 property under s. 77.52 (1) (b) or (c), specified digital goods, or additional digital
16 goods purchased outside this state, as determined under s. 77.522, other than motor
17 vehicles, boats, snowmobiles, recreational vehicles, as defined in s. 340.01 (48r),
18 trailers, semitrailers, all-terrain vehicles and airplanes registered or titled or
19 required to be registered or titled in this state, which is brought into this state by a
20 nondomiciliary for the person's own storage, use or other consumption while
21 temporarily within this state when such property, item, or digital good is not stored,
22 used or otherwise consumed in this state in the conduct of a trade, occupation,
23 business or profession or in the performance of personal services for wages or fees.

24 **SECTION 190.** 77.53 (17m) of the statutes is amended to read:

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1 77.53 (17m) This section does not apply to a boat purchased in a state
2 contiguous to this state, as determined under s. 77.522, by a person domiciled in that
3 state if the boat is berthed in this state's boundary waters adjacent to the state of the
4 domicile of the purchaser and if the transaction was an exempt occasional sale under
5 the laws of the state in which the purchase was made.

6 **SECTION 191.** 77.53 (17r) (a) of the statutes is amended to read:

7 77.53 (17r) (a) It is purchased in another state, as determined under s. 77.522.

8 **SECTION 192.** 77.53 (18) of the statutes, as affected by 2007 Wisconsin Act 11,
9 is amended to read:

10 77.53 (18) This section does not apply to the storage, use or other consumption
11 in this state of household goods, ^{or} ~~items or property~~ under s. 77.52 (1) (b) or (c) ^{or}
12 specified digital goods, or additional digital goods for personal use or to aircraft,
13 motor vehicles, boats, snowmobiles, mobile homes, manufactured homes, as defined
14 in s. 101.91 (2), recreational vehicles, as defined in s. 340.01 (48r), trailers,
15 semitrailers and all-terrain vehicles, for personal use, purchased by a
16 nondomiciliary of this state outside this state, as determined under s. 77.522, 90 days
17 or more before bringing the goods, items, or property into this state in connection
18 with a change of domicile to this state.

19 **SECTION 193.** 77.54 (1) of the statutes is amended to read:

20 77.54 (1) The ~~gross receipts~~ sales price from the sale of and the storage, use or
21 other consumption in this state of tangible personal property, items and property
22 under s. 77.52 (1) (b) and (c) and services the ~~gross receipts~~ sales price from the sale
23 of which, or the storage, use or other consumption of which, this state is prohibited
24 from taxing under the constitution or laws of the United States or under the
25 constitution of this state.

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1 **SECTION 194.** 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, except as provided in sub. (30) (a) 6.

7 **SECTION 195.** 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 196.** 77.54 (3) (a) of the statutes, as affected by 2005 Wisconsin Act
18 366, is amended to read:

19 77.54 (3) (a) The ~~gross receipts~~ sales price from the sales of and the storage, use,
20 or other consumption of tractors and machines, including accessories, attachments,
21 and parts, lubricants, nonpowered equipment, and other tangible personal property
22 that are used exclusively and directly, or are consumed or lose their identities, in the
23 business of farming, including dairy farming, agriculture, horticulture, floriculture,
24 silviculture, and custom farming services, but excluding automobiles, trucks, and
25 other motor vehicles for highway use; excluding personal property that is attached

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1 to, fastened to, connected to, or built into real property or that becomes an addition
2 to, component of, or capital improvement of real property; and excluding tangible
3 personal property used or consumed in the erection of buildings or in the alteration,
4 repair or improvement of real property, regardless of any contribution that that
5 personal property makes to the production process in that building or real property
6 and regardless of the extent to which that personal property functions as a machine,
7 except as provided in par. (c).

8 **SECTION 197.** 77.54 (3m) (intro.) of the statutes, as affected by 2005 Wisconsin
9 Act 366, is amended to read:

10 77.54 (3m) (intro.) The ~~gross receipts~~ sales price from the sale of and the
11 storage, use or other consumption of the following items if they are used exclusively
12 by the purchaser or user in the business of farming; including dairy farming,
13 agriculture, horticulture, floriculture, silviculture, and custom farming services:

14 **SECTION 198.** 77.54 (4) of the statutes is amended to read:

15 77.54 (4) ~~Gross receipts~~ The sales price from the sale of tangible personal
16 property and items and property under s. 77.52 (1) (b) and (c), and the storage, use
17 or other consumption in this state of tangible personal property and items and
18 property under s. 77.52 (1) (b) and (c) which is the subject of any such sale, by any
19 elementary school or secondary school, exempted as such from payment of income or
20 franchise tax under ch. 71, whether public or private.

21 **SECTION 199.** 77.54 (5) (intro.) of the statutes is amended to read:

22 77.54 (5) (intro.) The ~~gross receipts~~ sales price from the sale of and the storage,
23 use or other consumption of:

24 **SECTION 200.** 77.54 (6) (intro.) of the statutes is amended to read:

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1 77.54 (6) (intro.) The ~~gross receipts~~ sales price from the sale of and the storage,
2 use or other consumption of:

3 **SECTION 201.** 77.54 (7m) of the statutes is amended to read:

4 77.54 (7m) Occasional sales of tangible personal property, items or property
5 under s. 77.52 (1) (b) and (c), or services, including admissions or tickets to an event;
6 by a neighborhood association, church, civic group, garden club, social club or similar
7 nonprofit organization; not involving entertainment for which payment in the
8 aggregate exceeds \$500 for performing or as reimbursement of expenses unless
9 access to the event may be obtained without payment of a direct or indirect admission
10 fee; conducted by the organization if the organization is not engaged in a trade or
11 business and is not required to have a seller's permit. For purposes of this
12 subsection, an organization is engaged in a trade or business and is required to have
13 a seller's permit if its sales of tangible personal property, items and property under
14 s. 77.52 (1) (b) and (c), and services, not including sales of tickets to events, and its
15 events occur on more than 20 days during the year, unless its receipts do not exceed
16 \$25,000 during the year. The exemption under this subsection does not apply to ~~gross~~
17 ~~receipts~~ the sales price from the sale of bingo supplies to players or to the sale, rental
18 or use of regular bingo cards, extra regular cards and special bingo cards.

19 **SECTION 202.** 77.54 (8) of the statutes is amended to read:

20 77.54 (8) Charges for ~~interest, financing or insurance,~~ not including contracts
21 under s. 77.52 (2) (a) 13m., where such charges are separately set forth upon the
22 invoice given by the seller to the purchaser.

23 **SECTION 203.** 77.54 (9) of the statutes is amended to read:

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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 204.** 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, items and property
7 under s. 77.52 (1) (b) and (c), and taxable services by:

8 **SECTION 205.** 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 206.** 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 207.** 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 208.** 77.54 (13) of the statutes is amended to read:

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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 209.** 77.54 (14) (intro.) of the statutes is amended to read:

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

9 **SECTION 210.** 77.54 (14) (a) of the statutes is amended to read:

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

13 **SECTION 211.** 77.54 (14) (b) of the statutes is amended to read:

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

16 **SECTION 212.** 77.54 (14) (f) (intro.) of the statutes is amended to read:

17 77.54 (14) (f) (intro.) Furnished without charge to any of the following if the
18 medicine drug may not be dispensed without a prescription:

19 **SECTION 213.** 77.54 (14g) of the statutes is repealed.

20 **SECTION 214.** 77.54 (14s) of the statutes is repealed.

21 **SECTION 215.** 77.54 (15) of the statutes is amended to read:

22 77.54 (15) The ~~gross receipts~~ sales price from the sale of and the storage, use
23 or other consumption of all newspapers, of periodicals sold by subscription and
24 regularly issued at average intervals not exceeding 3 months, or issued at average
25 intervals not exceeding 6 months by an educational association or corporation sales

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

14 **SECTION 216.** 77.54 (16) of the statutes is amended to read:

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

19 **SECTION 217.** 77.54 (17) of the statutes is amended to read:

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

23 **SECTION 218.** 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, including
25 items and property under s. 77.52 (1) (b) and (c), that was previously exempt or not

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

9 **SECTION 219.** 77.54 (20) of the statutes is repealed.

10 **SECTION 220.** 77.54 (20m) of the statutes is repealed.

11 **SECTION 221.** 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 food and food ingredients, except soft drinks, sold by hospitals, sanatoriums,
17 nursing homes, retirement homes, community-based residential facilities, as
18 defined in s. 50.01 (1g), or day care centers registered under ch. 48, including
19 prepared food that is sold to the elderly or handicapped by persons providing mobile
20 meals on wheels. In this paragraph, "retirement home" means a nonprofit
21 residential facility where 3 or more unrelated adults or their spouses have their
22 principal residence and where support services, including meals from a common
23 kitchen, are available to residents.

24 (c) The sales price from the sale of and the storage, use, or other consumption
25 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 222.** 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 223.** 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 224.** 77.54 (22) of the statutes is repealed.

18 **SECTION 225.** 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 that is for use in a person's home,
21 mobility-enhancing equipment, and prosthetic devices, and accessories for such
22 equipment or devices, if the equipment or devices are used for a human being.

23 **SECTION 226.** 77.54 (23m) of the statutes, as affected by 2007 Wisconsin Act 20,
24 is amended to read:

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1 77.54 (**23m**) The ~~gross receipts~~ sales price from the sale, license, lease or rental
2 of or the storage, use or other consumption of motion picture film or tape, and motion
3 pictures or radio or television programs for listening, viewing, or broadcast, and
4 advertising materials related thereto, sold, licensed, leased or rented to a motion
5 picture theater or radio or television station.

6 **SECTION 227.** 77.54 (25) of the statutes, as affected by 2007 Wisconsin Act 20,
7 is amended to read:

8 77.54 (**25**) The ~~gross receipts~~ sales price from the sale of and the storage of
9 printed material which is designed to advertise and promote the sale of merchandise,
10 or to advertise the services of individual business firms, which printed material is
11 purchased and stored for the purpose of subsequently transporting it outside the
12 state by the purchaser for use thereafter solely outside the state. This subsection
13 does not apply to catalogs and the envelopes in which the catalogs are mailed.

14 **SECTION 228.** 77.54 (25m) of the statutes, as affected by 2007 Wisconsin Act 20,
15 is amended to read:

16 77.54 (**25m**) The ~~gross receipts~~ sales price from the sale of and the storage, use,
17 or other consumption of catalogs, and the envelopes in which the catalogs are mailed,
18 that are designed to advertise and promote the sale of merchandise or to advertise
19 the services of individual business firms.

20 **SECTION 229.** 77.54 (26) of the statutes, as affected by 2007 Wisconsin Act 19,
21 is amended to read:

22 77.54 (**26**) The ~~gross receipts~~ sales price from the sales of and the storage, use,
23 or other consumption of tangible personal property and property under s. 77.52 (1)
24 (b) and (c) which becomes a component part of an industrial waste treatment facility
25 that is exempt under s. 70.11 (21) or that would be exempt under s. 70.11 (21) if the

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1 property were taxable under ch. 70, or tangible personal property and property
2 under s. 77.52 (1) (b) and (c) which becomes a component part of a waste treatment
3 facility of this state or any agency thereof, or any political subdivision of the state or
4 agency thereof as provided in s. 40.02 (28). The exemption includes replacement
5 parts therefor, and also applies to chemicals and supplies used or consumed in
6 operating a waste treatment facility and to purchases of tangible personal property
7 and property under s. 77.52 (1) (b) and (c) made by construction contractors who
8 transfer such property to their customers in fulfillment of a real property
9 construction activity. This exemption does not apply to tangible personal property
10 and property under s. 77.52 (1) (b) and (c) installed in fulfillment of a written
11 construction contract entered into, or a formal written bid made, prior to July 31,
12 1975.

13 **SECTION 230.** 77.54 (26m) of the statutes is amended to read:

14 77.54 (26m) The gross receipts sales price from the sale of and the storage, use
15 or other consumption of waste reduction or recycling machinery and equipment,
16 including parts therefor, exclusively and directly used for waste reduction or
17 recycling activities which reduce the amount of solid waste generated, reuse solid
18 waste, recycle solid waste, compost solid waste or recover energy from solid waste.
19 The exemption applies even though an economically useful end product results from
20 the use of the machinery and equipment. For the purposes of this subsection, "solid
21 waste" means garbage, refuse, sludge or other materials or articles, whether these
22 materials or articles are discarded or purchased, including solid, semisolid, liquid or
23 contained gaseous materials or articles resulting from industrial, commercial,
24 mining or agricultural operations or from domestic use or from public service
25 activities.

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1 **SECTION 231.** 77.54 (27) of the statutes is amended to read:

2 77.54 (27) The ~~gross receipts~~ sales price from the sale of semen used for
3 artificial insemination of livestock.

4 **SECTION 232.** 77.54 (28) of the statutes is amended to read:

5 77.54 (28) The ~~gross receipts~~ sales price from the sale of and the storage, use
6 or other consumption to or by the ultimate consumer of ~~apparatus or equipment for~~
7 ~~the injection of insulin or the treatment of diabetes and~~ supplies used to determine
8 blood sugar level.

9 **SECTION 233.** 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 234.** 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 235.** 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 236.** 77.54 (31) of the statutes, as affected by 2007 Wisconsin Act 11,
21 is amended to read:

22 77.54 (31) The ~~gross receipts~~ sales price from the sale of and the storage, use
23 or other consumption in this state, but not the lease or rental, of used mobile homes,
24 as defined in s. 101.91 (10), and used manufactured homes, as defined in s. 101.91
25 (12).

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1 **SECTION 237.** 77.54 (32) of the statutes is amended to read:

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

6 **SECTION 238.** 77.54 (33) of the statutes is amended to read:

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

10 **SECTION 239.** 77.54 (35) of the statutes is amended to read:

11 77.54 (35) The ~~gross receipts~~ sales price from the sales of tangible personal
12 property, items or property under s. 77.52 (1) (b) or (c), tickets or admissions by any
13 baseball team affiliated with the Wisconsin Department of American Legion
14 baseball.

15 **SECTION 240.** 77.54 (36) of the statutes, as affected by 2007 Wisconsin Act 11,
16 is amended to read:

17 77.54 (36) The ~~gross receipts~~ sales price from the rental for a continuous period
18 of one month or more of a mobile home, as defined in s. 101.91 (10), or a manufactured
19 home, as defined in s. 101.91 (2), that is used as a residence. In this subsection, "one
20 month" means a calendar month or 30 days, whichever is less, counting the first day
21 of the rental and not counting the last day of the rental.

22 **SECTION 241.** 77.54 (37) of the statutes is amended to read:

23 77.54 (37) The ~~gross receipts~~ sales price from revenues collected under s.
24 146.70 (3) and the surcharge established by rule by the public service commission

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1 under s. 146.70 (3m) (f) for customers of wireless providers, as defined in s. 146.70
2 (3m) (a) 6.

3 **SECTION 242.** 77.54 (38) of the statutes is amended to read:

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

10 **SECTION 243.** 77.54 (39) of the statutes is amended to read:

11 77.54 (39) The ~~gross receipts~~ sales price from the sale of and the storage, use
12 or other consumption of off-highway, heavy mechanical equipment such as feller
13 bunchers, slashers, delimiters, chippers, hydraulic loaders, loaders,
14 skidder-forwarders, skidders, timber wagons and tractors used exclusively and
15 directly in the harvesting or processing of raw timber products in the field by a person
16 in the logging business. In this subsection, "heavy mechanical equipment" does not
17 include hand tools such as axes, chains, chain saws and wedges.

18 **SECTION 244.** 77.54 (40) of the statutes is repealed.

19 **SECTION 245.** 77.54 (41) of the statutes is amended to read:

20 77.54 (41) The ~~gross receipts~~ sales price from the sale of building materials,
21 supplies and equipment to; and the storage, use or other consumption of those kinds
22 of property by; owners, contractors, subcontractors or builders if that property is
23 acquired solely for or used solely in, the construction, renovation or development of
24 property that would be exempt under s. 70.11 (36).

25 **SECTION 246.** 77.54 (42) of the statutes is amended to read:

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

4 **SECTION 247.** 77.54 (43) of the statutes is amended to read:

5 77.54 (43) The ~~gross receipts~~ sales price from the sale of and the storage, use
6 or other consumption of raw materials used for the processing, fabricating or
7 manufacturing of, or the attaching to or incorporating into, printed materials that
8 are transported and used solely outside this state.

9 **SECTION 248.** 77.54 (44) of the statutes, as affected by 2005 Wisconsin Act 141,
10 is amended to read:

11 77.54 (44) The ~~gross receipts~~ sales price from the collection of low-income
12 assistance fees that are charged under s. 16.957 (4) (a) or (5) (a).

13 **SECTION 249.** 77.54 (45) of the statutes is amended to read:

14 77.54 (45) The ~~gross receipts~~ sales price from the sale of and the use or other
15 consumption of a onetime license or similar right to purchase admission to
16 professional football games at a football stadium, as defined in s. 229.821 (6), that
17 is granted by a municipality; a local professional football stadium district; or a
18 professional football team or related party, as defined in s. 229.821 (12); if the person
19 who buys the license or right is entitled, at the time the license or right is transferred
20 to the person, to purchase admission to at least 3 professional football games in this
21 state during one football season.

22 **SECTION 250.** 77.54 (46) of the statutes is amended to read:

23 77.54 (46) The ~~gross receipts~~ sales price from the sale of and the storage, use,
24 or other consumption of the U.S. flag or the state flag. This subsection does not apply
25 to a representation of the U.S. flag or the state flag.

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1 **SECTION 251.** 77.54 (46m) of the statutes is amended to read:

2 77.54 (46m) The ~~gross receipts~~ sales price from the sale of and the storage, use,
3 or other consumption of telecommunications services, if the telecommunications
4 services are obtained by using the rights to purchase telecommunications services,
5 including purchasing reauthorization numbers, by paying in advance and by using
6 an access number and authorization code; and if the tax imposed under s. 77.52 or
7 77.53 was previously paid on the sale or purchase of such rights.

8 **SECTION 252.** 77.54 (47) (intro.) of the statutes is amended to read:

9 77.54 (47) (intro.) The ~~gross receipts~~ sales price from the sale of and the storage,
10 use, or other consumption of all of the following:

11 **SECTION 253.** 77.54 (47) (b) 1. of the statutes is amended to read:

12 77.54 (47) (b) 1. The shooting facility is required to pay the tax imposed under
13 s. 77.52 on its ~~gross receipts~~ the sales price from charges for shooting at the facility.

14 **SECTION 254.** 77.54 (47) (b) 2. of the statutes, as affected by 2007 Wisconsin Act
15 20, is amended to read:

16 77.54 (47) (b) 2. The shooting facility is a nonprofit organization that charges
17 for shooting at the facility, but is not required to pay the tax imposed under s. 77.52
18 on its ~~gross receipts~~ sales price from such charges because the charges are for
19 occasional sales, as provided under sub. (7m), or because the charges satisfy the
20 exemption under s. 77.52 (2) (a) 2. b.

21 **SECTION 255.** 77.54 (48) (a) of the statutes, as created by 2005 Wisconsin Act
22 479, is renumbered 77.585 (9) (a) and amended to read:

23 77.585 (9) (a) Subject to 2005 Wisconsin Act 479, section 17, ~~the gross receipts~~
24 ~~from the sale of and the storage, use, or other consumption~~ a purchaser may claim
25 as a deduction that portion of its purchase price of Internet equipment used in the

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1 broadband market for which the tax was imposed under this subchapter, if the
2 purchaser certifies to the department of commerce, in the manner prescribed by the
3 department of commerce, that the purchaser will, within 24 months after July 1,
4 2007, make an investment that is reasonably calculated to increase broadband
5 Internet availability in this state. The purchaser shall claim the deduction in the
6 same reporting period as the purchaser paid the tax imposed under this subchapter.

7 **SECTION 256.** 77.54 (48) (b) of the statutes, as created by 2005 Wisconsin Act
8 479, is renumbered 77.585 (9) (b).

9 **SECTION 257.** 77.54 (49) of the statutes is amended to read:

10 77.54 (49) The ~~gross receipts~~ sales price from the sale of and the storage, use,
11 or other consumption of taxable services and tangible personal property, or items or
12 property under s. 77.52 (1) (b) or (c), that is physically transferred to the purchaser
13 as a necessary part of services that are subject to the taxes imposed under s. 77.52
14 (2) (a) 7., 10., 11., and 20., if the seller and the purchaser of such services and property
15 or item are members of the same affiliated group under section 1504 of the Internal
16 Revenue Code and are eligible to file a single consolidated return for federal income
17 tax purposes. For purposes of this subsection, if a seller purchases a taxable service,
18 item or property under s. 77.52 (1) (b) or (c), or tangible personal property, as
19 described in the subsection, that is subsequently sold to a member of the seller's
20 affiliated group and the sale is exempt under this subsection from the taxes imposed
21 under this subchapter, the original purchase of the taxable service, item or property
22 under s. 77.52 (1) (b) or (c), or tangible personal property by the seller is not
23 considered a sale for resale or exempt under this subsection.

24 ~~**SECTION 258.** 77.54 (50) of the statutes is created to read:~~

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1 77.54 (50) The sales price from the sale of and the storage, use, or other
2 consumption of specified digital goods or additional digital goods that are transferred
3 electronically to the purchaser, if the sale of and the storage, use, or other
4 consumption of such goods sold in a tangible form is exempt from taxation under this
5 subchapter.

6 **SECTION 259.** 77.54 (51) of the statutes is created to read:

7 77.54 (51) The sales price from the sales of and the storage, use, or other
8 consumption of products sold in a transaction that would be a bundled transaction,
9 except that it contains taxable and nontaxable products as described in s. 77.51 (1f)
10 (d), and except that the first person combining the products shall pay the tax imposed
11 under this subchapter on the person's purchase price of the taxable items.

12 **SECTION 260.** 77.54 (52) of the statutes is created to read:

13 77.54 (52) The sales price from the sales of and the storage, use, or other
14 consumption of products sold in a transaction that would be a bundled transaction,
15 except that the transaction meets the conditions described in s. 77.51 (1f) (e).

16 **SECTION 261.** 77.54 (54) of the statutes, as created by 2007 Wisconsin Act 20,
17 is amended to read:

18 77.54 (54) The ~~gross receipts~~ sales price from the sale of and the storage, use,
19 or other consumption of tangible personal property, items and property under s.
20 77.52 (1) (b) and (c), and taxable services that are sold by a home exchange service
21 that receives moneys from the appropriation account under s. 20.485 (1) (g) and is
22 operated by the department of veterans affairs.

23 **SECTION 262.** 77.54 (56) of the statutes, as created by 2007 Wisconsin Act 20,
24 is amended to read:

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1 77.54 (56) (a) The ~~gross receipts~~ sales price from the sale of and the storage,
2 use, or other consumption of a product whose power source is wind energy, direct
3 radiant energy received from the sun, or gas generated from anaerobic digestion of
4 animal manure and other agricultural waste, if the product produces at least 200
5 watts of alternating current or 600 British thermal units per day, except that the
6 exemption under this subsection does not apply to an uninterruptible power source
7 that is designed primarily for computers.

8 (b) Except for the sale of electricity or energy that is exempt from taxation
9 under sub. (30), the ~~gross receipts~~ sales price from the sale of and the storage, use,
10 or other consumption of electricity or energy produced by a product described under
11 par. (a).

12 **SECTION 263.** 77.55 (1) (intro.) of the statutes is amended to read:

13 77.55 (1) (intro.) There are is exempted from the computation of the amount
14 of the sales tax the ~~gross receipts~~ sales price from the sale of any tangible personal
15 property, items or property under s. 77.52 (1) (b) or (c), or services to:

16 **SECTION 264.** 77.55 (2) of the statutes is amended to read:

17 77.55 (2) There are is exempted from the computation of the amount of the sales
18 tax the ~~gross receipts~~ sales price from sales of tangible personal property, and items
19 and property under s. 77.52 (1) (b) and (c), to a common or contract carrier, shipped
20 by the seller via the purchasing carrier under a bill of lading whether the freight is
21 paid in advance, or the shipment is made freight charges collect, to a point outside
22 this state and the property or item is actually transported to the out-of-state
23 destination for use by the carrier in the conduct of its business as a carrier.

24 **SECTION 265.** 77.55 (2m) of the statutes is amended to read:

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1 77.55 (2m) There are is exempted from the computation of the amount of sales
2 tax the ~~gross receipts~~ sales price from sales of railroad crossties to a common or
3 contract carrier, shipped wholly or in part by way of the purchasing carrier under a
4 bill of lading, whether the freight is paid in advance or the shipment is made freight
5 charges collect, to a point outside this state if the property is transported to the
6 out-of-state destination for use by the carrier in the conduct of its business as a
7 carrier. Interruption of the shipment for storage, drying, processing or creosoting of
8 the railroad crossties in this state does not invalidate the exemption under this
9 subsection.

10 **SECTION 266.** 77.55 (3) of the statutes is amended to read:

11 77.55 (3) There are is exempted from the computation of the amount of the sales
12 tax the ~~gross receipts~~ sales price from sales of tangible personal property, and items
13 and property under s. 77.52 (1) (b) and (c), purchased for use solely outside this state
14 and delivered to a forwarding agent, export packer, or other person engaged in the
15 business of preparing goods for export or arranging for their exportation, and
16 actually delivered to a port outside the continental limits of the United States prior
17 to making any use thereof.

18 **SECTION 267.** 77.56 (1) of the statutes is amended to read:

19 77.56 (1) The storage, use or other consumption in this state of property,
20 including items and property under s. 77.52 (1) (b) and (c), the ~~gross receipts~~ sales
21 price from the sale of which are is reported to the department in the measure of the
22 sales tax, is exempted from the use tax.

23 **SECTION 268.** 77.57 of the statutes is amended to read:

24 **77.57 Liability of purchaser.** If a purchaser certifies in writing to a seller
25 that the property items or property under s. 77.52 (1) (b) or (c), specified digital goods,

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1 or additional digital goods purchased will be used in a manner or for a purpose
2 entitling the seller to regard the ~~gross receipts~~ sales price from the sale as exempted
3 by this subchapter from the computation of the amount of the sales tax and uses the
4 ~~property~~ ^{or} items or property under s. 77.52 (1) (b) or (c) specified digital goods, or
5 additional digital goods in some other manner or for some other purpose, the
6 purchaser is liable for payment of the sales tax. The tax shall be measured by the
7 sales price of the property ^{or} items or property under s. 77.52 (1) (b) or (c) specified
8 digital goods, or additional digital goods to the purchaser, but if the taxable use first
9 occurs more than 6 months after the sale to the purchaser, the purchaser may use
10 as the measure of the tax ~~either that sales price or the fair market value of the~~
11 ~~property at the time the taxable use first occurs.~~

12 SECTION 269. 77.58 (3) (a) of the statutes is amended to read:

13 77.58 (3) (a) For purposes of the sales tax a return shall be filed by every seller.
14 For purposes of the use tax a return shall be filed by every retailer engaged in
15 business in this state and by every person purchasing tangible personal property,
16 items or property under s. 77.52 (1) (b) or (c), specified digital goods, additional digital
17 goods, or services, the storage, use, or other consumption of which is subject to the
18 use tax, who has not paid the use tax due to a retailer required to collect the tax. If
19 a qualified subchapter S subsidiary is not regarded as a separate entity under ch. 71,
20 the owner of that subsidiary shall include the information for that subsidiary on the
21 owner's return. Returns shall be signed by the person required to file the return or
22 by a duly authorized agent but need not be verified by oath. If a single-owner entity
23 is disregarded as a separate entity under ch. 71, the owner shall include the
24 information from the entity on the owner's return.

25 SECTION 270. 77.58 (3) (b) of the statutes is amended to read:

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1 77.58 (3) (b) ~~For purposes of the sales tax the return shall show the gross~~
2 ~~receipts of the seller during the preceding reporting period. For purposes of the use~~
3 ~~tax, in case of a return filed by a retailer, the return shall show the total sales price~~
4 ~~of the property or taxable services sold, the storage, use or consumption of which~~
5 ~~became subject to the use tax during the preceding reporting period. In case of a sales~~
6 ~~or use tax return filed by a purchaser, the return shall show the total sales price of~~
7 ~~the property and taxable services purchased, the storage, use or consumption of~~
8 ~~which became subject to the use tax during the preceding reporting period. The~~
9 ~~return shall also show the amount of the taxes for the period covered by the return~~
10 ~~and such other information as the department deems necessary for the proper~~
11 ~~administration of this subchapter.~~

12 **SECTION 271.** 77.58 (6) of the statutes is amended to read:

13 77.58 (6) For the purposes of the sales tax ~~gross receipts, the sales price~~ from
14 rentals or leases of tangible personal property, ^{or} ~~items or property under s. 77.52 (1)~~
15 ~~(b) or (c)~~ specified digital goods, or additional digital goods shall be reported and the
16 tax paid in accordance with such rules as the department prescribes.

17 **SECTION 272.** 77.58 (6m) of the statutes is created to read:

18 77.58 (6m) (a) The department may, in cases where it is satisfied that an undue
19 hardship would otherwise result, permit the reporting of a sales price or purchase
20 price on some basis other than the accrual basis.

21 (b) The entire sales price of credit transactions shall be reported in the period
22 in which the sale is made without reduction in the amount of tax payable by the
23 retailer by reason of the retailer's transfer at a discount of any open account, note,
24 conditional sales contract, lease contract, or other evidence of indebtedness.

25 **SECTION 273.** 77.58 (9a) of the statutes is created to read:

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1 77.58 (9a) In addition to filing a return as provided in this section, a person
2 described under s. 77.524 (3), (4), or (5) shall provide to the department any
3 information that the department considers necessary for the administration of this
4 subchapter, in the manner prescribed by the department, except that the
5 department may not require that the person provide such information to the
6 department more than once every 180 days.

7 **SECTION 274.** 77.585 of the statutes is created to read:

8 **77.585 Return adjustments. (1)** (a) In this subsection, "bad debt" means the
9 portion of the sales price or purchase price that the seller has reported as taxable
10 under this subchapter and that the seller may claim as a deduction under section 166
11 of the Internal Revenue Code. "Bad debt" does not include financing charges or
12 interest, sales or use taxes imposed on the sales price or purchase price, uncollectible
13 amounts on property items or property under s. 77.52 (1) (b) or (c), specified digital
14 goods, or additional digital goods that remain in the seller's possession until the full
15 sales price or purchase price is paid, expenses incurred in attempting to collect any
16 debt, debts sold or assigned to 3rd parties for collection, and repossessed property.

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

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1 which a deduction is claimed under this paragraph, the seller shall include the
2 amount collected in the return filed for the period in which the amount is collected
3 and shall pay the tax with the return.

4 (c) For purposes of computing a bad debt deduction or reporting a payment
5 received on a previously claimed bad debt, any payment made on a debt or on an
6 account is applied first to the price of the property, items or property under s. 77.52

7 (1) (b) or (c), specified digital goods, additional digital goods, or service sold, and the
8 proportionate share of the sales tax on that property, items or property under s. 77.52

9 (1) (b) or (c), specified digital goods, additional digital goods, or service, and then to
10 interest, 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, items
24 or property under s. 77.52 (1) (b) or (c), specified digital goods, additional digital
25 goods, or taxable services that occurred in this state and in one or more other states,

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1 as determined under s. 77.522, the total amount of such bad debt shall be
2 apportioned among the states in which the underlying sales occurred in a manner
3 prescribed by the department to arrive at the amount of the deduction under par. (b).

4 (2) If a lessor of tangible personal property, items or property under s. 77.52
5 (1) (b) or (c), specified digital goods, or additional digital goods has reimbursed the
6 vendor for the sales tax on the sale of the property, items, or goods by the vendor to
7 the lessor, the tax due from the lessor on the rental receipts may be offset by a credit
8 equal to the tax otherwise due on the rental receipts from the property, items, or
9 goods for the reporting period. The credit shall expire when the cumulative rental
10 receipts equal the sales price upon which the vendor paid sales taxes to this state.

11 (3) If a purchaser of tangible personal property, items or property under s.
12 77.52 (1) (b) or (c), specified digital goods, or additional digital goods has reimbursed
13 the vendor of the property, items, or goods for the sales tax on the sale and
14 subsequently, before making any use of the property, items, or goods other than
15 retention, demonstration, or display while holding it for sale or rental, makes a
16 taxable sale of the property, items, or goods, the tax due on the taxable sale may be
17 offset by the tax reimbursed.

18 (4) A seller may claim a deduction on any part of the sales price or purchase
19 price that the seller refunds in cash or credit as a result of returned property, items
20 or property under s. 77.52 (1) (b) or (c), specified digital goods, or additional digital
21 goods or adjustments in the sales price or purchase price after the sale has been
22 completed, if the seller has included the refunded price in a prior return made by the
23 seller and has paid the tax on such price, and if the seller has returned to the
24 purchaser in cash or in credit all tax previously paid by the purchaser on the amount

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1 of the refund at the time of the purchase. A deduction under this subsection shall
2 be claimed on the return for the period in which the refund is paid.

3 (5) No reduction in the amount of tax payable by the retailer is allowable in the
4 event property, items or property under s. 77.52 (1) (b) or (c), specified digital goods,
5 or additional digital goods sold on credit are repossessed except where the entire
6 consideration paid by the purchaser is refunded to the purchaser or where a credit
7 for a worthless account is allowable under sub. (1).

8 (6) A purchaser who is subject to the use tax on the storage, use, or other
9 consumption of fuel may claim a deduction from the purchase price that is subject
10 to the use tax for fuel taxes refunded by this state or the United States to the
11 purchaser that is included in the purchase price of the fuel.

12 (7) For sales tax purposes, if a retailer establishes to the department's
13 satisfaction that the sales tax has been added to the total amount of the sales price
14 and has not been absorbed by the retailer, the total amount of the sales price shall
15 be the amount received exclusive of the sales tax imposed.

16 (8) A sale or purchase involving transfer of ownership of property, items or
17 property under s. 77.52 (1) (b) or (c), specified digital goods, or additional digital
18 goods is completed at the time when possession is transferred by the seller or the
19 seller's agent to the purchaser or the purchaser's agent, except that for purposes of
20 sub. (1) a common carrier or the U.S. postal service shall be considered the agent of
21 the seller, regardless of any f.o.b. point and regardless of the method by which freight
22 or postage is paid.

23 **SECTION 275.** 77.59 (2m) of the statutes is created to read:

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1 77.59 (2m) The department may audit, or may authorize others to audit, sellers
2 and certified service providers who are registered with the department pursuant to
3 the agreement, as defined in s. 77.65 (2) (a).

4 **SECTION 276.** 77.59 (5m) of the statutes is amended to read:

5 77.59 (5m) A seller who receives a refund under sub. (4) (a) or (b) of taxes that
6 the seller has collected from buyers, who collects amounts as taxes erroneously from
7 buyers, but who does not remit such amounts to the state, or who is entitled to a
8 refund under sub. (4) (a) or (b) that is offset under sub. (5), shall submit the taxes and
9 related interest to the buyers from whom the taxes were collected, or to the
10 department if the seller cannot locate the buyers, within 90 days after the date of the
11 refund, after the date of the offset, or after discovering that the seller has collected
12 taxes erroneously from the buyers. If the seller does not submit the taxes and related
13 interest to the department or the buyers within that period, the seller shall submit
14 to the department any part of a refund or taxes that the seller does not submit to a
15 buyer or to the department along with a penalty of 25% of the amount not submitted
16 or, in the case of fraud, a penalty equal to the amount not submitted. A person who
17 collects amounts as taxes erroneously from buyers for a real property construction
18 activity or nontaxable service may reduce the taxes and interest that he or she is
19 required to submit to the buyer or to the department under this subsection for that
20 activity or service by the amount of tax and interest subsequently due and paid on
21 the sale of or the storage, use, or other consumption of tangible personal property,

22 items or property under s. 77.52 (1) (b) or (c), specified digital goods, or additional
23 digital goods that is are used by the person in that activity or service and transferred
24 to the buyer.

25 **SECTION 277.** 77.59 (9) of the statutes is amended to read:

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1 77.59 (9) If any person fails to file a return, the department shall make an
2 estimate of the amount of the ~~gross receipts~~ sales price of the person person's sales,
3 or, as the case may be, of the amount of the total sales purchase price of tangible
4 personal property, items or property under s. 77.52 (1) (b) or (c), (specified digital
5 goods, additional digital goods, or taxable service sold or purchased by the person,
6 the sale by or the storage, use, or other consumption of which in this state is subject
7 to sales or use tax. The estimate shall be made for the period in respect to which the
8 person failed to make a return and shall be based upon any information which is in
9 the department's possession or may come into its possession. Upon the basis of this
10 estimate the department shall compute and determine the amount required to be
11 paid to the state, adding to the sum thus arrived at a penalty equal to 25% thereof.
12 One or more such determinations may be made for one or for more than one period.
13 When a business is discontinued a determination may be made at any time
14 thereafter, within the periods specified in sub. (3), as to liability arising out of that
15 business.

16 **SECTION 278.** 77.59 (9n) of the statutes is created to read:

17 77.59 (9n) (a) Notwithstanding s. 73.03 (47), no seller or certified service
18 provider is liable for tax, interest, or penalties imposed on a transaction under this
19 subchapter in the circumstances covered under sections 306, 328, and 502 of the
20 agreement, as defined in s. 77.65 (2) (a).

21 (b) A purchaser is not liable for the tax, interest, or penalties imposed on a
22 transaction under this subchapter in the circumstances covered by section 331 of the
23 agreement, as defined in s. 77.65 (2) (a).

24 **SECTION 279.** 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, items or property
3 under s. 77.52 (1) (b) or (c), specified digital goods, or additional digital goods, and
4 if the customer believes that the amount of the tax assessed for the sale of the service,
5 property, items, or goods under this subchapter is erroneous, the customer may
6 request that the seller correct the alleged error by sending a written notice to the
7 seller. The notice shall include a description of the alleged error and any other
8 information that the seller reasonably requires to process the request. Within 60
9 days from the date that a seller receives a request under this paragraph, the seller
10 shall review its records to determine the validity of the customer's claim. If the
11 review indicates that there is no error as alleged, the seller shall explain the findings
12 of the review in writing to the customer. If the review indicates that there is an error
13 as alleged, the seller shall correct the error and shall refund the amount of any tax
14 collected erroneously, along with the related interest, as a result of the error from the
15 customer, consistent with s. 77.59 (4). A customer may take no other action against
16 the seller, or commence any action against the seller, to correct an alleged error in
17 the amount of the tax assessed under this subchapter on a service that is not subject
18 to 4 USC 116 to 126, as amended by P.L. 106-252, or tangible personal property, items
19 or property under s. 77.52 (1) (b) or (c), specified digital goods, or additional digital
20 goods unless the customer has exhausted his or her remedies under this paragraph.

21 **SECTION 280.** 77.59 (9r) of the statutes is created to read:

22 77.59 (9r) With regard to a purchaser's request for a refund under this section,
23 a seller is presumed to have reasonable business practices if the seller uses a certified
24 service provider, a certified automated system, as defined in s. 77.524 (1) (am), or a
25 proprietary system certified by the department to collect the taxes imposed under

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1 this subchapter and if the seller has remitted to the department all taxes collected
2 under this subchapter, less any deductions, credits, or allowances.

3 **SECTION 281.** 77.60 (13) of the statutes is created to read:

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

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

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

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

13 **SECTION 282.** 77.61 (1) (b) of the statutes is amended to read:

14 77.61 (1) (b) In the case of ~~a motor vehicle~~ motor vehicles, boats, snowmobiles,
15 recreational vehicles, as defined in s. 340.01 (48r), trailers, semitrailers, all-terrain
16 vehicles, or aircraft purchased from a ~~licensed Wisconsin motor vehicle dealer~~
17 retailer, the registrant shall present proof that the tax has been paid to such dealer
18 retailer.

19 **SECTION 283.** 77.61 (1) (c) of the statutes, as affected by 2007 Wisconsin Act 11,
20 is amended to read:

21 77.61 (1) (c) In the case of motor vehicles, boats, snowmobiles, recreational
22 vehicles, as defined in s. 340.01 (48r), trailers, semitrailers, all-terrain vehicles, or
23 aircraft registered or titled, or required to be registered or titled, in this state
24 purchased from persons who are not ~~Wisconsin boat, trailer, or semitrailer dealers,~~
25 ~~licensed Wisconsin aircraft, motor vehicle, or recreational vehicle, as defined in s.~~

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1 ~~340.01 (48r), dealers or registered Wisconsin snowmobile or all-terrain vehicle~~
2 ~~dealers~~ retailers, the purchaser shall file a sales tax return and pay the tax prior to
3 registering or titling the motor vehicle, boat, snowmobile, recreational vehicle, as
4 defined in s. 340.01 (48r), semitrailer, all-terrain vehicle, or aircraft in this state.

5 **SECTION 284.** 77.61 (2) of the statutes is renumbered 77.61 (2) (intro.) and
6 amended to read:

7 77.61 (2) (intro.) In order to protect the revenue of the state:

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

22 **SECTION 285.** 77.61 (2) (b) of the statutes is created to read:

23 77.61 (2) (b) A certified service provider who has contracted with a seller, and
24 filed an application, to collect and remit sales and use taxes imposed under this
25 subchapter on behalf of the seller shall submit a surety bond to the department to

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

13 **SECTION 286.** 77.61 (3) of the statutes is repealed.

14 **SECTION 287.** 77.61 (3m) of the statutes is created to read:

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

25 **SECTION 288.** 77.61 (4) (a) of the statutes is amended to read:

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1 77.61 (4) (a) Every seller and retailer and every person storing, using or
2 otherwise consuming in this state tangible personal property, items or property
3 under s. 77.52 (1) (b) or (c), specified digital goods, additional digital goods, or taxable
4 services purchased from a retailer shall keep such records, receipts, invoices, and
5 other pertinent papers and records, including machine-readable records, in such
6 form as the department requires. The department may, after giving notice, require
7 any person to keep whatever records are needed for the department to compute the
8 sales or use taxes the person should pay. Thereafter, the department shall add to any
9 taxes assessed on the basis of information not contained in the records required a
10 penalty of 25% of the amount of the tax so assessed in addition to all other penalties
11 under this chapter.

12 **SECTION 289.** 77.61 (4) (c) of the statutes is amended to read:

13 77.61 (4) (c) For reporting the sales tax and collecting and reporting the use tax
14 imposed on the retailer under s. 77.53 (3) and the accounting connected with it,
15 retailers, not including certified service providers that receive compensation under
16 s. 73.03 (61) (h), may deduct 0.5% of those taxes payable or \$10 for that reporting
17 period required under s. 77.58 (1), whichever is greater, but not more than the
18 amount of the sales taxes or use taxes that is payable under ss. 77.52 (1) and 77.53
19 (3) for that reporting period required under s. 77.58 (1), as administration expenses
20 if the payment of the taxes is not delinquent. For purposes of calculating the
21 retailer's discount under this paragraph, the taxes on retail sales reported by
22 retailers under subch. V, including taxes collected and remitted as required under
23 s. 77.785, shall be included if the payment of those taxes is not delinquent.

24 **SECTION 290.** 77.61 (5m) of the statutes is created to read:

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1 77.61 (5m) (a) In this subsection, “personally identifiable information” means
2 any information that identifies a person.

3 (b) A certified service provider may use personally identifiable information as
4 necessary only for the administration of its system to perform a seller’s sales and use
5 tax functions and shall provide consumers clear and conspicuous notice of its practice
6 regarding such information, including what information it collects, how it collects
7 the information, how it uses the information, how long, if at all, it retains the
8 information, and under what circumstances it discloses the information to states
9 participating in the agreement, as defined in 77.65 (2) (a).

10 (c) A certified service provider may collect, use, and retain personally
11 identifiable information only to verify exemption claims, to investigate fraud, and to
12 ensure its system’s reliability.

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

16 (e) For purposes of this subchapter, the state shall provide to consumers public
17 notice of the state’s practices related to collecting, using, and retaining personally
18 identifiable information.

19 (f) The state shall not retain personally identifiable information obtained for
20 purposes of administering this subchapter unless the state is otherwise required to
21 retain the information by law or as provided under the agreement, as defined in s.
22 77.65 (2) (a).

23 (g) For purposes of this subchapter, the state shall provide an individual
24 reasonable access to that individual’s personally identifiable information and the
25 right to correct any inaccurately recorded information.

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1 (h) If any person, other than another state that is a signatory to the agreement,
2 as defined in s. 77.65 (2) (a), or a person authorized under state law to access the
3 information, requests access to an individual's personally identifiable information,
4 the state shall make a reasonable and timely effort to notify the individual of the
5 request.

6 **SECTION 291.** 77.61 (11) of the statutes, as affected by 2007 Wisconsin Act
7 (this act), is amended to read:

8 77.61 (11) Any city, village or town clerk or other official whose duty it is to issue
9 licenses or permits to engage in a business involving the sale at retail of tangible
10 personal property ^{or} ~~items or property under s. 77.52 (1) (b) or (c), specified digital~~
11 goods, or additional digital goods subject to tax under this subchapter, or the
12 furnishing of services so subject to tax, shall, before issuing such license or permit,
13 require proof that the person to whom such license or permit is to be issued is the
14 holder of a seller's permit or is registered to collect, report, and remit use tax under
15 this subchapter or has been informed by an employee of the department that the
16 department will issue a seller's permit to that person or register that person to
17 collect, report, and remit use tax.

18 **SECTION 292.** 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 293.** 77.61 (17) of the statutes is created to read:

23 77.61 (17) With regard to services subject to the tax under s. 77.52 (2) or the
24 lease, rental, or license of tangible personal property and property and items
25 specified under s. 77.52 (1) (b) ~~to (d)~~, an increase in the tax rate applies to the first
and (c)

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1 billing period beginning on or after the rate increase's effective date and a decrease
2 in the tax rate applies to bills that are rendered on or after the rate decrease's
3 effective date.

4 **SECTION 294.** 77.63 of the statutes is repealed and recreated to read:

5 **77.63 Collection compensation.** The following persons may retain a portion
6 of sales and use taxes collected on retail sales under this subchapter and subch. V
7 in an amount determined by the department and by contracts that the department
8 enters into jointly with other states as a member state of the streamlined sales tax
9 governing board pursuant to the agreement, as defined in s. 77.65 (2) (a):

10 (1) A certified service provider.

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

13 (3) A seller that sells tangible personal property, items or property under s.
14 77.52 (1) (b) or (c), specified digital goods, additional digital goods, or taxable services
15 in at least 5 states that are signatories to the agreement, as defined in s. 77.65 (2)
16 (a); that has total annual sales revenue of at least \$500,000,000; that has a
17 proprietary system that calculates the amount of tax owed to each taxing jurisdiction
18 in which the seller sells tangible personal property, items or property under s. 77.52
19 (1) (b) or (c), specified digital goods, additional digital goods, or taxable services; and
20 that has entered into a performance agreement with the states that are signatories
21 to the agreement, as defined in s. 77.65 (2) (a). For purposes of this subsection,
22 "seller" includes an affiliated group of sellers using the same proprietary system to
23 calculate the amount of tax owed in each taxing jurisdiction in which the sellers sell
24 tangible personal property, items or property under s. 77.52 (1) (b) or (c), specified
25 digital goods, additional digital goods, or taxable services.

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1 **SECTION 295.** 77.65 (2) (a) of the statutes is amended to read:

2 77.65 (2) (a) "Agreement" means the streamlined sales and use tax agreement,
3 including amendments to the agreement.

4 **SECTION 296.** 77.65 (2) (c) of the statutes is repealed.

5 **SECTION 297.** 77.65 (2) (e) of the statutes is amended to read:

6 77.65 (2) (e) "Seller" means any person who sells, leases, or rents tangible
7 personal property, items or property under s. 77.52 (1) (b) or (c), specified digital
8 goods, additional digital goods, or services.

9 **SECTION 298.** 77.65 (2) (f) of the statutes is amended to read:

10 77.65 (2) (f) "State" means any state of the United States and, the District of
11 Columbia, and the Commonwealth of Puerto Rico.

12 **SECTION 299.** 77.65 (4) (fm) of the statutes is created to read:

13 77.65 (4) (fm) Provide that a seller who registers with the central electronic
14 registration system under par. (f) may cancel the registration at any time, as
15 provided under uniform procedures adopted by the governing board of the states that
16 are signatories to the agreement, but is required to remit any Wisconsin taxes
17 collected pursuant to the agreement to the department.

18 **SECTION 300.** 77.66 of the statutes is amended to read:

19 **77.66 Certification for collection of sales and use tax.** The secretary of
20 revenue shall determine and periodically certify to the secretary of administration
21 the names of persons, and affiliates, as defined in s. 16.70 (1b), of persons, who make
22 sales of tangible personal property, items and property under s. 77.52 (1) (b) and (c),
23 specified digital goods, additional digital goods, and taxable services that are subject
24 to the taxes imposed under this subchapter but who are not registered to collect and

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1 remit such taxes to the department or, if registered, do not collect and remit such
2 taxes.

3 **SECTION 301.** 77.67 of the statutes is created to read:

4 **77.67 Amnesty for new registrants. (1)** A seller is not liable for uncollected
5 and unpaid taxes, including penalties and interest, imposed under this subchapter
6 and subch. V on sales made to purchasers in this state before the seller registers
7 under par. (a), if all of the following apply:

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

12 (b) The seller registers under par. (a) no later than 365 days after the effective
13 date of this state's participation in the agreement under s. 77.65 (2) (a), as
14 determined by the department.

15 (c) The seller was not registered to collect and remit the taxes imposed under
16 this subchapter and subch. V during the 365 consecutive days immediately before
17 the effective date of this state's participation in the agreement under s. 77.65 (2) (a),
18 as determined by the department.

19 (d) The seller has not received a notice of the commencement of an audit from
20 the department or, if the seller has received a notice of the commencement of an audit
21 from the department, the audit has been fully resolved, including any related
22 administrative and judicial processes, at the time that the seller registers under par.
23 (a).

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

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1 (f) The seller collects and remits the taxes imposed under this subchapter and
2 subch. V on sales to purchasers in this state for at least 3 consecutive years after the
3 date on which the seller's collection obligation begins

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

6 **SECTION 302.** 77.70 of the statutes is amended to read:

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

18 **SECTION 303.** 77.705 of the statutes is amended to read:

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

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1 from the appropriation account under s. 20.566 (1) (gd) to the appropriation account
2 under s. 20.835 (4) (gb) shall be used exclusively to retire the district's debt.

3 **SECTION 304.** 77.706 of the statutes is amended to read:

4 **77.706 Adoption by resolution; football stadium district.** A local
5 professional football stadium district created under subch. IV of ch. 229, by
6 resolution under s. 229.824 (15), may impose a sales tax and a use tax under this
7 subchapter at a rate of 0.5% of the ~~gross receipts or sales price or purchase price.~~
8 Those taxes may be imposed only in their entirety. The imposition of the taxes under
9 this section shall be effective on the first day of the first month January 1, April 1,
10 July 1, or October 1 that begins at least ~~30~~ 120 days after the certification of the
11 approval of the resolution by the electors in the district's jurisdiction under s. 229.824
12 (15). Any moneys transferred from the appropriation account under s. 20.566 (1) (ge)
13 to the appropriation account under s. 20.835 (4) (ge) shall be used exclusively to retire
14 the district's debt.

15 **SECTION 305.** 77.707 (1) of the statutes is amended to read:

16 **77.707 (1)** Retailers and the department of revenue may not collect a tax under
17 s. 77.705 for any local professional baseball park district created under subch. III of
18 ch. 229 after the last day of the calendar quarter during that is at least 120 days from
19 the date on which the local professional baseball park district board makes a
20 certification to the department of revenue under s. 229.685 (2), except that the
21 department of revenue may collect from retailers taxes that accrued before the day
22 after the last day of that calendar quarter and fees, interest and penalties that relate
23 to those taxes.

24 **SECTION 306.** 77.707 (2) of the statutes is amended to read:

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1 77.707 (2) Retailers and the department of revenue may not collect a tax under
2 s. 77.706 for any local professional football stadium district created under subch. IV
3 of ch. 229 after the last day of the calendar quarter during that is at least 120 days
4 from the date on which the local professional football stadium district board makes
5 all of the certifications to the department of revenue under s. 229.825 (3), except that
6 the department of revenue may collect from retailers taxes that accrued before the
7 day after the last day of that calendar quarter and fees, interest and penalties that
8 relate to those taxes.

9 **SECTION 307.** 77.71 (1) of the statutes is amended to read:

10 77.71 (1) For the privilege of selling, licensing, leasing or renting tangible
11 personal property, and the property and items specified under s. 77.52 (1) (b) ~~to (d)~~, ^{and (c)}
12 and for the privilege of selling, licensing, performing or furnishing services a sales ^{keep}
13 tax is imposed upon retailers at the rate of 0.5% in the case of a county tax or at the ^{comma}
14 rate under s. 77.705 or 77.706 in the case of a special district tax of the gross receipts
15 sales price from the sale, licensing, lease or rental of tangible personal property, and
16 the property and items specified under s. 77.52 (1) (b) ~~to (d)~~, ^{and (c)} except property taxed
17 under sub. (4), sold, licensed, leased or rented at retail in the county or special district
18 or from selling, licensing, performing or furnishing services described under s. 77.52
19 (2) in the county or special district.

20 **SECTION 308.** 77.71 (2) of the statutes is amended to read:

21 77.71 (2) An excise tax is imposed at the rate of 0.5% in the case of a county tax
22 or at the rate under s. 77.705 or 77.706 in the case of a special district tax of the sales
23 purchase price upon every person storing, using or otherwise consuming in the
24 county or special district tangible personal property, property and items specified
25 under s. 77.52 (1) (b) ~~to (d)~~, or services if the property, item, or service is subject to

and (c)

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1 the state use tax under s. 77.53, except that a receipt indicating that the tax under
2 sub. (1), (3) or (4) has been paid relieves the buyer of liability for the tax under this
3 subsection and except that if the buyer has paid a similar local tax in another state
4 on a purchase of the same property, item, or services that tax shall be credited against
5 the tax under this subsection and except that for motor vehicles that are used for a
6 purpose in addition to retention, demonstration or display while held for sale in the
7 regular course of business by a dealer the tax under this subsection is imposed not
8 on the sales purchase price but on the amount under s. 77.53 (1m).

9 **SECTION 309.** 77.71 (3) of the statutes is amended to read:

10 77.71 (3) An excise tax is imposed upon a contractor engaged in construction
11 activities within the county or special district, at the rate of 0.5% in the case of a
12 county tax or at the rate under s. 77.705 or 77.706 in the case of a special district tax
13 of the sales purchase price of tangible personal property that is used in constructing,
14 altering, repairing or improving real property and that becomes a component part
15 of real property in that county or special district, except that if the contractor has
16 paid the sales tax of a county in the case of a county tax or of a special district in the
17 case of a special district tax in this state on that property, or has paid a similar local
18 sales tax in another state on a purchase of the same property, that tax shall be
19 credited against the tax under this subsection.

20 **SECTION 310.** 77.71 (4) of the statutes, as affected by 2007 Wisconsin Act 11,
21 is amended to read:

22 77.71 (4) An excise tax is imposed at the rate of 0.5 percent in the case of a
23 county tax or at the rate under s. 77.705 or 77.706 in the case of a special district tax
24 of the sales purchase price upon every person storing, using or otherwise consuming
25 a motor vehicle, boat, ~~snowmobile~~, recreational vehicle, as defined in s. 340.01 (48r),

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1 trailer, ~~semitrailer, all-terrain vehicle~~ or aircraft, if that property must be registered
2 or titled with this state and if that property is to be customarily kept in a county that
3 has in effect an ordinance under s. 77.70 or in a special district that has in effect a
4 resolution under s. 77.705 or 77.706, except that if the buyer has paid a similar local
5 sales tax in another state on a purchase of the same property that tax shall be
6 credited against the tax under this subsection.

7 **SECTION 311.** 77.72 (title) of the statutes is repealed.

8 **SECTION 312.** 77.72 (1) of the statutes is renumbered 77.72 and amended to
9 read:

10 **77.72 General rule for property.** For the purposes of this subchapter, all
11 retail sales of tangible personal property are ~~completed at the time when, and the~~
12 ~~place where, the seller or the seller's agent transfers possession to the buyer or the~~
13 ~~buyer's agent. In this subsection, a common carrier or the U.S. postal service is the~~
14 ~~agent of the seller, regardless of any f.o.b. point and regardless of the method by~~
15 ~~which freight or postage is paid. Rentals and leases of property, except property~~
16 ~~under sub. (2), have a situs at the location of that property, and property and items~~
17 ~~specified under s. 77.52 (1) (b) to (d), and taxable services occur as provided in s.~~
18 77.522. *Keep comma and (c)*

19 **SECTION 313.** 77.72 (2) and (3) of the statutes are repealed.

20 **SECTION 314.** 77.73 (2) of the statutes is amended to read:

21 77.73 (2) Counties and special districts do not have jurisdiction to impose the
22 tax under s. 77.71 (2) in regard to specified digital goods, additional digital goods,
23 items and property under s. 77.52 (1) (b) and (c), and tangible personal property,
24 except snowmobiles, trailers, semitrailers, and all-terrain vehicles, purchased in a
25 sale that is consummated in another county or special district in this state that does

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1 not have in effect an ordinance or resolution imposing the taxes under this
2 subchapter and later brought by the buyer into the county or special district that has
3 imposed a tax under s. 77.71 (2).

4 **SECTION 315.** 77.73 (3) of the statutes is created to read:

5 77.73 (3) Counties and special districts have jurisdiction to impose the taxes
6 under this subchapter on retailers who file an application under s. 77.52 (7) or who
7 register under s. 77.53 (9) or (9m), regardless of whether such retailers are engaged
8 in business in the county or special district, as provided in s. 77.51 (13g). A retailer
9 who files an application under s. 77.52 (7) or who registers under s. 77.53 (9) or (9m)
10 shall collect, report, and remit to the department the taxes imposed under this
11 subchapter for all counties and special districts that have an ordinance or resolution
12 imposing the taxes under this subchapter.

13 **SECTION 316.** 77.75 of the statutes is amended to read:

14 **77.75 Reports.** Every person subject to county or special district sales and use
15 taxes shall, for each reporting period, record that person's sales made in the county
16 or special district that has imposed those taxes separately from sales made
17 elsewhere in this state and file a report of the measure of the county or special district
18 sales and use taxes and the tax due thereon separately as prescribed by the
19 department of revenue.

20 **SECTION 317.** 77.77 (1) of the statutes is renumbered 77.77 (1) (a) and amended
21 to read:

22 77.77 (1) (a) The ~~gross receipts~~ sales price from services subject to the tax under
23 s. 77.52 (2) ~~are not~~ or the lease, rental, or license of tangible personal property, and
24 property and items specified under s. 77.52 (1) (b) to (d) ^{and (c)} is subject to the taxes under
25 this subchapter, and the incremental amount of tax caused by a rate increase

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1 applicable to those services, leases, rentals, or licenses is ~~not~~ due, if ~~those services~~
2 ~~are billed to the customer and paid for before~~ beginning with the first billing period
3 starting on or after the effective date of the county ordinance, special district
4 resolution, or rate increase, regardless of whether the service is furnished or the
5 property or item is leased, rented, or licensed to the customer before or after that
6 date.

7 **SECTION 318.** 77.77 (1) (b) of the statutes is created to read:

8 77.77 (1) (b) The sales price from services subject to the tax under s. 77.52 (2)
9 or the lease, rental, or license of tangible personal property, and property and items
10 specified under s. 77.52 (1) (b) ~~to (d)~~, is not subject to the taxes under this subchapter,
11 and a decrease in the tax rate imposed under this subchapter on those services first
12 applies, beginning with bills rendered on or after the effective date of the repeal or
13 sunset of a county ordinance or special district resolution imposing the tax or other
14 rate decrease, regardless of whether the service is furnished or the property or item
15 is leased, rented, or licensed to the customer before or after that date.

16 **SECTION 319.** 77.77 (2) of the statutes is repealed.

17 **SECTION 320.** 77.785 (1) of the statutes is amended to read:

18 77.785 (1) All retailers shall collect and report the taxes under this subchapter
19 on the ~~gross receipts~~ sales price from leases and rentals of property, items and
20 property under s. 77.52 (1) (b) and (c), specified digital goods, and additional digital
21 goods under s. 77.71 (4).

22 **SECTION 321.** 77.785 (2) of the statutes, as affected by 2007 Wisconsin Act 11,
23 is amended to read:

24 77.785 (2) Prior to registration or titling, a retailer of a boat, all-terrain vehicle,
25 trailer and semi-trailer dealers and licensed aircraft, motor vehicle, manufactured

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1 home, as defined in s. 101.91 (2), or recreational vehicle, as defined in s. 340.01 (48r),
2 ~~and snowmobile~~ dealers shall collect the taxes under this subchapter on sales of
3 items under s. 77.71 (4). The ~~dealer~~ retailer shall remit those taxes to the
4 department of revenue along with payments of the taxes under subch. III.

5 **SECTION 322.** 77.98 of the statutes is amended to read:

6 **77.98 Imposition.** A local exposition district under subch. II of ch. 229 may
7 impose a tax on the retail sale, except sales for resale, within the district's
8 jurisdiction under s. 229.43 of ~~products that are subject to a tax under s. 77.54 (20)~~
9 ~~(e) 1. to 3. and not~~ candy, as defined in s. 77.51 (1fm), prepared food, as defined in s.
10 77.51 (10m), and soft drinks, as defined in s. 77.51 (17w), unless exempt from the
11 sales tax under s. 77.54 (1), (4), (7) (a), (7m), (9), (9a) ~~or (20) (e) 5., (20n) (b) and (c),~~
12 and (20r).

13 **SECTION 323.** 77.981 of the statutes is amended to read:

14 **77.981 Rate.** The tax under s. 77.98 is imposed on the sale of taxable products
15 at the rate of 0.25% of the ~~gross receipts~~ sales price, except that the district, by a vote
16 of a majority of the authorized members of its board of directors, may impose the tax
17 at the rate of 0.5% of the ~~gross receipts~~ sales price. A majority of the authorized
18 members of the district's board may vote that, if the balance in a special debt service
19 reserve fund of the district is less than the requirement under s. 229.50 (5), the tax
20 rate under this subchapter is 0.5%. The 0.5% rate shall be effective on the next
21 January 1, April 1, July 1 or October 1, and this tax is irrevocable if any bonds issued
22 by the district and secured by the special debt service reserve fund are outstanding.

23 **SECTION 324.** 77.982 (2) of the statutes, as affected by 2007 Wisconsin Act 20,
24 is repealed and recreated to read:

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1 77.982 (2) Sections 77.51 (12m), (14), (14g), (15a), and (15b), 77.52 (1b), (3), (4),
2 (13), (14), (18), and (19), 77.53 (1b), 77.58 (1) to (5), (6m), and (7), 77.585, 77.59, 77.60,
3 77.61 (2), (3m), (5), (8), (9), and (12) to (15), and 77.62, as they apply to the taxes under
4 subch. III, apply to the tax under this subchapter. Section 77.73, as it applies to the
5 taxes under subch. V, applies to the tax under this subchapter.

6 **SECTION 325.** 77.99 of the statutes is amended to read:

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

19 **SECTION 326.** 77.991 (2) of the statutes is amended to read:

20 77.991 (2) Sections 77.51 (4) (a), (b) 1., 2., and 4., (c) 1. to 3. and (d) and (14) (a)
21 to (f), (j) and (k), 77.52 (1b), (4), (6), (13), (14), and (18), 77.53 (1b), 77.58 (1) to (5) and
22 (7), 77.59, 77.60, 77.61 (2), (5), (8), (9), and (12) to (14) and 77.62, as they apply to the
23 taxes under subch. III, apply to the tax under this subchapter. Sections 77.72 (1) and
24 (2) (a) and 77.73, as they apply to the taxes under subch. V, apply to the tax under

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

3 **SECTION 327.** 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 328.** 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 329.** 77.995 (2) of the statutes, as affected by 2007 Wisconsin Act 11,
16 is amended to read:

17 77.995 (2) There is imposed a fee at the rate of 5 percent of the ~~gross receipts~~
18 sales price on the rental, but not for rental and not for rental as a service or repair
19 replacement vehicle of Type 1 automobiles, as defined in s. 340.01 (4) (a); of
20 recreational vehicles, as defined in s. 340.01 (48r); of motor homes, as defined in s.
21 340.01 (33m); and of camping trailers, as defined in s. 340.01 (6m) by establishments
22 primarily engaged in short-term rental of vehicles without drivers, for a period of 30
23 days or less, unless the sale is exempt from the sales tax under s. 77.54 (1), (4), (7)
24 (a), (7m) or (9a). There is also imposed a fee at the rate of 5 percent of the ~~gross~~
25 receipts sales price on the rental of limousines.

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1 **SECTION 330.** 77.9951 (2) of the statutes, as affected by 2007 Wisconsin Act 20,
2 is repealed and recreated to read:

3 77.9951 (2) Sections 77.51 (12m), (14), (14g), (15a), and (15b), 77.52 (1b), (3),
4 (4), (13), (14), (18), and (19), 77.53 (1b), 77.58 (1) to (5), (6m), and (7), 77.585, 77.59,
5 77.60, 77.61 (2), (3m), (5), (8), (9), and (12) to (15), and 77.62, as they apply to the taxes
6 under subch. III, apply to the fee under this subchapter. The renter shall collect the
7 fee under this subchapter from the person to whom the vehicle is rented.

8 **SECTION 331.** 77.996 (6) of the statutes is amended to read:

9 77.996 (6) “Gross receipts” has the meaning given in s. 77.51 (4) (a), (b) 1. and
10 5., (e) 1. to 4., and (d) means the sales price, as defined in s. 77.51 (15b), of tangible
11 personal property and taxable services sold by a dry cleaning facility. “Gross
12 receipts” does not include the license fee imposed under s. 77.9961 (1m) that is passed
13 on to customers.

14 **SECTION 332.** 77.9972 (2) of the statutes, as affected by 2007 Wisconsin Act 20,
15 is repealed and recreated to read:

16 77.9972 (2) Sections 77.51 (12m), (14), (14g), (15a), and (15b), 77.52 (1b), (3),
17 (4), (13), (14), (18), and (19), 77.53 (1b), 77.58 (1) to (5), (6m), and (7), 77.585, 77.59,
18 77.60, 77.61 (2), (3m), (5), (8), (9), and (12) to (15), and 77.62, as they apply to the taxes
19 under subch. III, apply to the fee under this subchapter. Section 77.73, as it applies
20 to the taxes under subch. V, applies to the fee under this subchapter. The renter shall
21 collect the fee under this subchapter from the person to whom the passenger car is
22 rented.

23 **SECTION 333.** 86.195 (3) (b) 3. of the statutes is amended to read:

24 86.195 (3) (b) 3. Fifty percent of the gross receipts sales price, as defined in s.
25 77.51 (15b), of the business are from meal, food, the sale of food product and beverage

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1 sales and food ingredients, as defined in s. 77.51 (3t), that are taxable under s. ~~77.54~~
2 (20) (e) subch. III of ch. 77; and

3 **SECTION 334.** 218.0171 (2) (cq) of the statutes is amended to read:

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

10 **SECTION 335.** 229.68 (15) of the statutes is amended to read:

11 229.68 (15) Impose, by the adoption of a resolution, the taxes under subch. V
12 of ch. 77. A district may not levy any taxes that are not expressly authorized under
13 subch. V of ch. 77 and that do not receive the affirmative vote of a supermajority of
14 the district board. If a district adopts a resolution which imposes taxes, it shall
15 deliver a certified copy of the resolution to the secretary of revenue at least ~~30~~ 120
16 days before its effective date.

17 **SECTION 336.** 229.824 (15) of the statutes is amended to read:

18 229.824 (15) Impose, by the adoption of a resolution, the taxes under subch. V
19 of ch. 77, except that the taxes imposed by the resolution may not take effect until
20 the resolution is approved by a majority of the electors in the district's jurisdiction
21 voting on the resolution at a referendum, to be held at the first spring primary or
22 September primary following by at least 45 days the date of adoption of the
23 resolution. Two questions shall appear on the ballot. The first question shall be:
24 "Shall a sales tax and a use tax be imposed at the rate of 0.5% in ... County for
25 purposes related to football stadium facilities in the ... Professional Football

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1 Stadium District?" The 2nd question shall be: "Shall excess revenues from the 0.5%
2 sales tax and use tax be permitted to be used for property tax relief purposes in ...
3 County?" Approval of the first question constitutes approval of the resolution of the
4 district board. Approval of the 2nd question is not effective unless the first question
5 is approved. The clerk of the district shall publish the notices required under s. 10.06
6 (4) (c), (f) and (i) for any referendum held under this subsection. Notwithstanding
7 s. 10.06 (4) (c), the type A notice under s. 10.01 (2) (a) relating to the referendum is
8 valid even if given and published late as long as it is given and published prior to the
9 election as early as practicable. A district may not levy any taxes that are not
10 expressly authorized under subch. V of ch. 77. The district may not levy any taxes
11 until the professional football team and the governing body of the municipality in
12 which the football stadium facilities are located agree on how to fund the
13 maintenance of the football stadium facilities. The district may not levy any taxes
14 until the professional football team and the governing body of the municipality in
15 which the football stadium facilities are located agree on how to distribute the
16 proceeds, if any, from the sale of naming rights related to the football stadium
17 facilities. If a district board adopts a resolution that imposes taxes and the resolution
18 is approved by the electors, the district shall deliver a certified copy of the resolution
19 to the secretary of revenue at least ~~30~~ 120 days before its effective date. If a district
20 board adopts a resolution that imposes taxes and the resolution is not approved by
21 the electors, the district is dissolved.

SECTION 337. Effective date.

(1) This act takes effect on January 1, 2010.

(END)