



1 **SECTION 131.** 77.54 (20r) of the statutes is created to read:

2 77.54 (20r) The sales price from the sales of and the storage, use, or other
3 consumption of candy, soft drinks, dietary supplements, and prepared foods, and
4 disposable products that are transferred with such items, furnished for no
5 consideration by a restaurant to the restaurant's employee during the employee's
6 work hours.

7 **SECTION 132.** 77.54 (21) of the statutes is amended to read:

8 77.54 (21) The ~~gross receipts~~ sales price from the sales of and the storage, use
9 or other consumption of caskets and burial vaults for human remains.

10 **SECTION 133.** 77.54 (22) of the statutes is repealed.

11 **SECTION 134.** 77.54 (22b) of the statutes is created to read:

12 77.54 (22b) The sales price from the sale of and the storage, use, or other
13 consumption of durable medical equipment that is for use in a person's home,
14 mobility-enhancing equipment, and prosthetic devices, and accessories for such
15 equipment or devices, if the equipment or devices are used for a human being.

16 **SECTION 135.** 77.54 (22c) of the statutes is created to read:

17 77.54 (22c) The sales price from the sale of and the storage, use, or other
18 consumption of tangible personal property that is subject to the taxes imposed under
19 this subchapter and items described under sub. (22b), if such property and items are
20 packaged together and if 50 percent or more of the sales price of the property and
21 items packaged together is attributable to the items described under sub. (22b). If
22 more than 50 percent of the sales price is attributable to tangible personal property
23 that is subject to the taxes imposed under this subchapter, the entire sales price is
24 subject to the taxes imposed under this subchapter, regardless of the exemption
25 under sub. (22b).

1 **SECTION 136.** 77.54 (23m) of the statutes is amended to read:

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

6 **SECTION 137.** 77.54 (25) of the statutes is amended to read:

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

12 **SECTION 138.** 77.54 (26) of the statutes is amended to read:

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

1 **SECTION 139.** 77.54 (26m) of the statutes is amended to read:

2 77.54 **(26m)** The ~~gross receipts~~ sales price from the sale of and the storage, use
3 or other consumption of waste reduction or recycling machinery and equipment,
4 including parts therefor, exclusively and directly used for waste reduction or
5 recycling activities which reduce the amount of solid waste generated, reuse solid
6 waste, recycle solid waste, compost solid waste or recover energy from solid waste.
7 The exemption applies even though an economically useful end product results from
8 the use of the machinery and equipment. For the purposes of this subsection, "solid
9 waste" means garbage, refuse, sludge or other materials or articles, whether these
10 materials or articles are discarded or purchased, including solid, semisolid, liquid or
11 contained gaseous materials or articles resulting from industrial, commercial,
12 mining or agricultural operations or from domestic use or from public service
13 activities.

14 **SECTION 140.** 77.54 (27) of the statutes is amended to read:

15 77.54 **(27)** The ~~gross receipts~~ sales price from the sale of semen used for
16 artificial insemination of livestock.

17 **SECTION 141.** 77.54 (28) of the statutes is amended to read:

18 77.54 **(28)** The ~~gross receipts~~ sales price from the sale of and the storage, use
19 or other consumption to or by the ultimate consumer of ~~apparatus or equipment for~~
20 ~~the injection of insulin or the treatment of diabetes and~~ supplies used to determine
21 blood sugar level.

22 **SECTION 142.** 77.54 (29) of the statutes is amended to read:

23 77.54 **(29)** The ~~gross receipts~~ sales price from the sales of and the storage, use
24 or other consumption of equipment used in the production of maple syrup.

25 **SECTION 143.** 77.54 (30) (a) (intro.) of the statutes is amended to read:

1 77.54 (30) (a) (intro.) The ~~gross receipts~~ sales price from the sale of:

2 **SECTION 144.** 77.54 (30) (c) of the statutes is amended to read:

3 77.54 (30) (c) If fuel or electricity is sold partly for a use exempt under this
4 subsection and partly for a use which is not exempt under this subsection, no tax
5 shall be collected on that percentage of the ~~gross receipts~~ sales price equal to the
6 percentage of the fuel or electricity which is used for an exempt use, as specified in
7 an exemption certificate provided by the purchaser to the seller.

8 **SECTION 145.** 77.54 (31) of the statutes is amended to read:

9 77.54 (31) The ~~gross receipts~~ sales price from the sale of and the storage, use
10 or other consumption in this state, but not the lease or rental, of used mobile homes
11 that are primary housing units under s. 340.01 (29).

12 **SECTION 146.** 77.54 (32) of the statutes is amended to read:

13 77.54 (32) The ~~gross receipts~~ sales price from charges, including charges for a
14 search, imposed by an authority, as defined in s. 19.32 (1), for copies of a public record
15 that a person may examine and use under s. 16.61 (12) or for copies of a record under
16 s. 19.35 (1).

17 **SECTION 147.** 77.54 (33) of the statutes is amended to read:

18 77.54 (33) The ~~gross receipts~~ sales price from sales of and the storage, use or
19 other consumption of ~~medicines~~ drugs used on farm livestock, not including
20 workstock.

21 **SECTION 148.** 77.54 (35) of the statutes is amended to read:

22 77.54 (35) The ~~gross receipts~~ sales price from the sales of tangible personal
23 property, tickets or admissions by any baseball team affiliated with the Wisconsin
24 Department of American Legion baseball.

25 **SECTION 149.** 77.54 (36) of the statutes is amended to read:

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

6 **SECTION 150.** 77.54 (37) of the statutes is amended to read:

7 77.54 (37) The ~~gross receipts~~ sales price from revenues collected under s.
8 146.70 (3) and the surcharge established by rule by the public service commission
9 under s. 146.70 (3m) (f) for customers of wireless providers, as defined in s. 146.70
10 (3m) (a) 6.

11 **SECTION 151.** 77.54 (38) of the statutes is amended to read:

12 77.54 (38) The ~~gross receipts~~ sales price from the sale of and the storage, use
13 or other consumption of snowmobile trail groomers and attachments for them that
14 are purchased, stored, used or consumed by a snowmobile club that meets at least
15 3 times a year, that has at least 10 members, that promotes snowmobiling and that
16 participates in the department of natural resources’ snowmobile program under s.
17 350.12 (4) (b).

18 **SECTION 152.** 77.54 (39) of the statutes is amended to read:

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

1 **SECTION 153.** 77.54 (40) of the statutes is repealed.

2 **SECTION 154.** 77.54 (41) of the statutes is amended to read:

3 77.54 (41) The ~~gross receipts~~ sales price from the sale of building materials,
4 supplies and equipment to; and the storage, use or other consumption of those kinds
5 of property by; owners, contractors, subcontractors or builders if that property is
6 acquired solely for or used solely in, the construction, renovation or development of
7 property that would be exempt under s. 70.11 (36).

8 **SECTION 155.** 77.54 (42) of the statutes is amended to read:

9 77.54 (42) The ~~gross receipts~~ sales price from the sale of and the storage, use
10 or other consumption of animal identification tags provided under s. 93.06 (1h) and
11 standard samples provided under s. 93.06 (1s).

12 **SECTION 156.** 77.54 (43) of the statutes is amended to read:

13 77.54 (43) The ~~gross receipts~~ sales price from the sale of and the storage, use
14 or other consumption of raw materials used for the processing, fabricating or
15 manufacturing of, or the attaching to or incorporating into, printed materials that
16 are transported and used solely outside this state.

17 **SECTION 157.** 77.54 (44) of the statutes, as affected by 2005 Wisconsin Act 141,
18 is amended to read:

19 77.54 (44) The ~~gross receipts~~ sales price from the collection of low-income
20 assistance fees that are charged under s. 16.957 (4) (a) or (5) (a).

21 **SECTION 158.** 77.54 (45) of the statutes is amended to read:

22 77.54 (45) The ~~gross receipts~~ sales price from the sale of and the use or other
23 consumption of a onetime license or similar right to purchase admission to
24 professional football games at a football stadium, as defined in s. 229.821 (6), that
25 is granted by a municipality; a local professional football stadium district; or a

1 professional football team or related party, as defined in s. 229.821 (12); if the person
2 who buys the license or right is entitled, at the time the license or right is transferred
3 to the person, to purchase admission to at least 3 professional football games in this
4 state during one football season.

5 **SECTION 159.** 77.54 (46) of the statutes is amended to read:

6 77.54 (46) The ~~gross receipts~~ sales price from the sale of and the storage, use,
7 or other consumption of the U.S. flag or the state flag. This subsection does not apply
8 to a representation of the U.S. flag or the state flag.

9 **SECTION 160.** 77.54 (46m) of the statutes is amended to read:

10 77.54 (46m) The ~~gross receipts~~ sales price from the sale of and the storage, use,
11 or other consumption of telecommunications services, if the telecommunications
12 services are obtained by using the rights to purchase telecommunications services,
13 including purchasing reauthorization numbers, by paying in advance and by using
14 an access number and authorization code; and if the tax imposed under s. 77.52 or
15 77.53 was previously paid on the sale or purchase of such rights.

16 **SECTION 161.** 77.54 (47) (intro.) of the statutes is amended to read:

17 77.54 (47) (intro.) The ~~gross receipts~~ sales price from the sale of and the storage,
18 use, or other consumption of all of the following:

19 **SECTION 162.** 77.54 (47) (b) 1. and 2. of the statutes are amended to read:

20 77.54 (47) (b) 1. The shooting facility is required to pay the tax imposed under
21 s. 77.52 on ~~its gross receipts~~ the sales price from charges for shooting at the facility.

22 2. The shooting facility is a nonprofit organization that charges for shooting at
23 the facility, but is not required to pay the tax imposed under s. 77.52 on ~~its gross~~
24 receipts the sales price from such charges because the charges are for occasional
25 sales, as provided under sub. (7m).

1 **SECTION 163.** 77.54 (48) (a) of the statutes, as created by 2005 Wisconsin Act
2 479, is amended to read:

3 77.54 (48) (a) Subject to 2005 Wisconsin Act 479, section 17, the gross receipts
4 sales price from the sale of and the storage, use, or other consumption of Internet
5 equipment used in the broadband market, if the purchaser certifies to the
6 department of commerce, in the manner prescribed by the department of commerce,
7 that the purchaser will, within 24 months after July 1, 2007, make an investment
8 that is reasonably calculated to increase broadband Internet availability in this
9 state.

10 **SECTION 164.** 77.54 (48m) of the statutes is created to read:

11 77.54 (48m) The sales price from the sale of and the storage, use, or other
12 consumption of audiovisual works, finished artwork, literary works, and audio
13 works that are delivered electronically to the purchaser, if the sale of and the storage,
14 use, or other consumption of such items sold in a tangible form is exempt from
15 taxation under this subchapter.

16 **SECTION 165.** 77.54 (49) of the statutes is amended to read:

17 77.54 (49) The gross receipts sales price from the sale of and the storage, use,
18 or other consumption of taxable services and tangible personal property that is
19 physically transferred to the purchaser as a necessary part of services that are
20 subject to the taxes imposed under s. 77.52 (2) (a) 7., 10., 11., and 20., if the seller and
21 the purchaser of such services and property are members of the same affiliated group
22 under section 1504 of the Internal Revenue Code and are eligible to file a single
23 consolidated return for federal income tax purposes. For purposes of this subsection,
24 if a seller purchases a taxable service or tangible personal property, as described in
25 the subsection, that is subsequently sold to a member of the seller's affiliated group

1 and the sale is exempt under this subsection from the taxes imposed under this
2 subchapter, the original purchase of the taxable service or tangible personal property
3 by the seller is not considered a sale for resale or exempt under this subsection.

4 **SECTION 166.** 77.55 (1) (intro.) of the statutes is amended to read:

5 77.55 (1) (intro.) There are is exempted from the computation of the amount
6 of the sales tax the ~~gross receipts~~ sales price from the sale of any tangible personal
7 property or services to:

8 **SECTION 167.** 77.55 (2) of the statutes is amended to read:

9 77.55 (2) There are is exempted from the computation of the amount of the sales
10 tax the ~~gross receipts~~ sales price from sales of tangible personal property to a
11 common or contract carrier, shipped by the seller via the purchasing carrier under
12 a bill of lading whether the freight is paid in advance, or the shipment is made freight
13 charges collect, to a point outside this state and the property is actually transported
14 to the out-of-state destination for use by the carrier in the conduct of its business
15 as a carrier.

16 **SECTION 168.** 77.55 (2m) of the statutes is amended to read:

17 77.55 (2m) There are is exempted from the computation of the amount of sales
18 tax the ~~gross receipts~~ sales price from sales of railroad crossties to a common or
19 contract carrier, shipped wholly or in part by way of the purchasing carrier under a
20 bill of lading, whether the freight is paid in advance or the shipment is made freight
21 charges collect, to a point outside this state if the property is transported to the
22 out-of-state destination for use by the carrier in the conduct of its business as a
23 carrier. Interruption of the shipment for storage, drying, processing or creosoting of
24 the railroad crossties in this state does not invalidate the exemption under this
25 subsection.

1 **SECTION 169.** 77.55 (3) of the statutes is amended to read:

2 77.55 (3) There are ~~is~~ exempted from the computation of the amount of the sales
3 tax the gross receipts sales price from sales of tangible personal property purchased
4 for use solely outside this state and delivered to a forwarding agent, export packer,
5 or other person engaged in the business of preparing goods for export or arranging
6 for their exportation, and actually delivered to a port outside the continental limits
7 of the United States prior to making any use thereof.

8 **SECTION 170.** 77.56 (1) of the statutes is amended to read:

9 77.56 (1) The storage, use or other consumption in this state of property, the
10 gross receipts sales price from the sale of which are ~~is~~ reported to the department in
11 the measure of the sales tax, is exempted from the use tax.

12 **SECTION 171.** 77.57 of the statutes is amended to read:

13 **77.57 Liability of purchaser.** If a purchaser certifies in writing to a seller
14 that the property purchased will be used in a manner or for a purpose entitling the
15 seller to regard the gross receipts sales price from the sale as exempted by this
16 subchapter from the computation of the amount of the sales tax and uses the property
17 in some other manner or for some other purpose, the purchaser is liable for payment
18 of the sales tax. The tax shall be measured by the sales price of the property to the
19 purchaser, ~~but if the taxable use first occurs more than 6 months after the sale to the~~
20 ~~purchaser, the purchaser may use as the measure of the tax either that sales price~~
21 ~~or the fair market value of the property at the time the taxable use first occurs.~~

22 **SECTION 172.** 77.58 (3) (b) of the statutes is amended to read:

23 77.58 (3) (b) ~~For purposes of the sales tax the return shall show the gross~~
24 ~~receipts of the seller during the preceding reporting period. For purposes of the use~~
25 ~~tax, in case of a return filed by a retailer, the return shall show the total sales price~~

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

9 **SECTION 173.** 77.58 (6) of the statutes is amended to read:

10 77.58 (6) For the purposes of the sales tax gross receipts, the sales price from
11 rentals or leases of tangible personal property shall be reported and the tax paid in
12 accordance with such rules as the department prescribes.

13 **SECTION 174.** 77.58 (6m) of the statutes is created to read:

14 77.58 (6m) (a) The department may, in cases where it is satisfied that an undue
15 hardship would otherwise result, permit the reporting of a sales price or purchase
16 price on some basis other than the accrual basis.

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

21 **SECTION 175.** 77.58 (9a) of the statutes is created to read:

22 77.58 (9a) In addition to filing a return as provided in this section, a person
23 described under s. 77.524 (3), (4), or (5) shall provide to the department any
24 information that the department considers necessary for the administration of this
25 subchapter, in the manner prescribed by the department, except that the

1 department may not require that the person provide such information to the
2 department more than once every 180 days.

3 **SECTION 176.** 77.585 of the statutes is created to read:

4 **77.585 Return adjustments.** (1) (a) In this subsection, “bad debt” means the
5 portion of the sales price or purchase price that the seller has reported as taxable
6 under this subchapter and that the seller may claim as a deduction under section 166
7 of the Internal Revenue Code. “Bad debt” does not include financing charges or
8 interest, sales or use taxes imposed on the sales price or purchase price, uncollectible
9 amounts on property that remains in the seller’s possession until the full sales price
10 or purchase price is paid, expenses incurred in attempting to collect any debt, debts
11 sold or assigned to 3rd parties for collection, and repossessed property.

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

24 (c) For purposes of computing a bad debt deduction or reporting a payment
25 received on a previously claimed bad debt, any payment made on a debt or on an

1 account is applied first to the price of the property or service sold, and the
2 proportionate share of the sales tax on that property or service, and then to interest,
3 service charges, and other charges related to the sale.

4 (d) A seller may obtain a refund of the tax collected on any bad debt amount
5 deducted under par. (b) that exceeds the amount of the seller's taxable sales as
6 provided under s. 77.59 (4), except that the period for making a claim as determined
7 under s. 77.59 (4) begins on the date on which the return on which the bad debt could
8 be claimed would have been required to be submitted to the department under s.
9 77.58.

10 (e) If a seller is using a certified service provider, the certified service provider
11 may claim a bad debt deduction under this subsection on the seller's behalf if the
12 seller has not claimed and will not claim the same deduction. A certified service
13 provider who receives a bad debt deduction under this subsection shall credit that
14 deduction to the seller and a certified service provider who receives a refund under
15 this subsection shall submit that refund to the seller.

16 (f) If a bad debt relates to the retail sales of tangible personal property or
17 taxable services that occurred in this state and in one or more other states, as
18 determined under s. 77.522, the total amount of such bad debt shall be apportioned
19 among the states in which the underlying sales occurred in a manner prescribed by
20 the department to arrive at the amount of the deduction under par. (b).

21 (2) If a lessor of tangible personal property has reimbursed the vendor for the
22 sales tax on the sale of the property by the vendor to the lessor, the tax due from the
23 lessor on the rental receipts may be offset by a credit equal to the tax otherwise due
24 on the rental receipts from the property for the reporting period. The credit shall

1 expire when the cumulative rental receipts equal the sales price upon which the
2 vendor paid sales taxes to this state.

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

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

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

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

24 (7) For sales tax purposes, if a retailer establishes to the department's
25 satisfaction that the sales tax has been added to the total amount of the sales price

1 and has not been absorbed by the retailer, the total amount of the sales price shall
2 be the amount received exclusive of the sales tax imposed.

3 (8) A sale or purchase involving transfer of ownership of property is completed
4 at the time when possession is transferred by the seller or the seller's agent to the
5 purchaser or the purchaser's agent, except that for purposes of sub. (1) a common
6 carrier or the U.S. postal service shall be considered the agent of the seller, regardless
7 of any f.o.b. point and regardless of the method by which freight or postage is paid.

8 **SECTION 177.** 77.59 (2m) of the statutes is created to read:

9 77.59 (2m) The department may audit, or may authorize others to audit, sellers
10 and certified service providers who are registered with the department pursuant to
11 the agreement, as defined in s. 77.65 (2) (a).

12 **SECTION 178.** 77.59 (9) of the statutes is amended to read:

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

1 thereafter, within the periods specified in sub. (3), as to liability arising out of that
2 business.

3 **SECTION 179.** 77.59 (9n) of the statutes is created to read:

4 **77.59 (9n)**^(a) No seller or certified service provider is liable for any deficiency or
5 refund under this subchapter that is the result of the seller or certified service
6 provider relying on erroneous information contained in a database maintained
7 under s. 73.03 (61) (e) or (f).

8 **SECTION 180.** 77.59 (9p) (b) of the statutes is created to read:

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

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1 by P.L. 106-252, or tangible personal property, unless the customer has exhausted
2 his or her remedies under this paragraph.

3 **SECTION 181.** 77.59 (9r) of the statutes is created to read:

4 77.59 (9r) With regard to a purchaser's request for a refund under this section,
5 a seller is presumed to have reasonable business practices if the seller uses a certified
6 service provider, a certified automated system, as defined in s. 77.524 (1) (am), or a
7 proprietary system certified by the department to collect the taxes imposed under
8 this subchapter and if the seller has remitted to the department all taxes collected
9 under this subchapter, less any deductions, credits, or allowances.

10 **SECTION 182.** 77.60 (13) of the statutes is created to read:

11 77.60 (13) A person who uses any of the following documents in a manner that
12 is prohibited by or inconsistent with this subchapter, or provides incorrect
13 information to a seller or certified service provider related to the use of such
14 documents or regarding an exemption to the taxes imposed under this subchapter,
15 shall pay a penalty of \$250 for each invoice or bill of sale related to the prohibited or
16 inconsistent use or incorrect information:

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

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

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

20 (d) An exemption ^{certificate} claiming multiple points of use

21 **SECTION 183.** 77.61 (1) (b) of the statutes is amended to read:

22 77.61 (1) (b) In the case of ~~a motor vehicle~~ motor vehicles, boats, snowmobiles,
23 mobile homes not exceeding 45 feet in length, trailers, semitrailers, all-terrain
24 vehicles, or aircraft purchased from a licensed ~~Wisconsin motor vehicle dealer~~

1 retailer, the registrant shall present proof that the tax has been paid to such dealer
2 retailer.

3 **SECTION 184.** 77.61 (1) (c) of the statutes is amended to read:

4 77.61 (1) (c) In the case of motor vehicles, boats, snowmobiles, mobile homes
5 not exceeding 45 feet in length, trailers, semitrailers, all-terrain vehicles or aircraft
6 registered or titled, or required to be registered or titled, in this state purchased from
7 persons who are not ~~Wisconsin boat, trailer or semitrailer dealers, licensed~~
8 ~~Wisconsin aircraft, motor vehicle or mobile home dealers or registered Wisconsin~~
9 ~~snowmobile or all-terrain vehicle dealers~~ retailers, the purchaser shall file a sales
10 tax return and pay the tax prior to registering or titling the motor vehicle, boat,
11 snowmobile, mobile home not exceeding 45 feet in length, trailer, semitrailer,
12 all-terrain vehicle or aircraft in this state.

13 **SECTION 185.** 77.61 (2) of the statutes is renumbered 77.61 (2) (intro.) and
14 amended to read:

15 77.61 (2) (intro.) In order to protect the revenue of the state:

16 (a) Except as provided in par. (b), the department may require any person who
17 is or will be liable to it for the tax imposed by this subchapter to place with it, before
18 or after a permit is issued, the security, not in excess of \$15,000, that the department
19 determines. In determining the amount of security to require under this subsection,
20 the department may consider the person's payment of other taxes administered by
21 the department and any other relevant facts. If any taxpayer fails or refuses to place
22 that security, the department may refuse or revoke the permit. If any taxpayer is
23 delinquent in the payment of the taxes imposed by this subchapter, the department
24 may, upon 10 days' notice, recover the taxes, interest, costs and penalties from the
25 security placed with the department by the taxpayer in the following order: costs,

1 penalties, delinquent interest, delinquent tax. No interest may be paid or allowed
2 by the state to any person for the deposit of security. Any security deposited under
3 this subsection shall be returned to the taxpayer if the taxpayer has, for 24
4 consecutive months, complied with all the requirements of this subchapter.

5 **SECTION 186.** 77.61 (2) (b) of the statutes is created to read:

6 77.61 (2) (b) A certified service provider who has contracted with a seller, and
7 filed an application, to collect and remit sales and use taxes imposed under this
8 subchapter on behalf of the seller shall submit a surety bond to the department to
9 guarantee the payment of sales and use taxes, including any penalty and interest on
10 such payment. The department shall approve the form and contents of a bond
11 submitted under this paragraph and shall determine the amount of such bond. The
12 surety bond shall be submitted to the department within 60 days after the date on
13 which the department notifies the certified service provider that the certified service
14 provider is registered to collect sales and use taxes imposed under this subchapter.
15 If the department determines, with regards to any one certified service provider, that
16 no bond is necessary to protect the tax revenues of this state, the secretary of revenue
17 or the secretary's designee may waive the requirements under this paragraph with
18 regard to that certified service provider. Any bond submitted under this paragraph
19 shall remain in force until the secretary of revenue or the secretary's designee
20 releases the liability under the bond.

21 **SECTION 187.** 77.61 (3) of the statutes is repealed.

22 **SECTION 188.** 77.61 (3m) of the statutes is created to read:

23 77.61 (3m) A retailer shall use a straight mathematical computation to
24 determine the amount of the tax that the retailer may collect from the retailer's
25 customers. The retailer shall calculate the tax amount by combining the applicable

1 tax rates under this subchapter and subch. V and multiplying the combined tax rate
2 by the sales price or purchase price of each item or invoice, as appropriate. The
3 retailer shall calculate the tax amount to the 3rd decimal place, disregard tax
4 amounts of less than 0.5 cent, and consider tax amounts of at least 0.5 cent but less
5 than 1 cent to be an additional cent. The use of a straight mathematical computation,
6 as provided in this subsection, shall not relieve the retailer from liability for payment
7 of the full amount of the tax levied under this subchapter.

8 **SECTION 189.** 77.61 (4) (c) of the statutes is amended to read:

9 77.61 (4) (c) For reporting the sales tax and collecting and reporting the use tax
10 imposed on the retailer under s. 77.53 (3) and the accounting connected with it,
11 retailers, not including certified service providers, may deduct 0.5% of those taxes
12 payable or \$10 for that reporting period required under s. 77.58 (1), whichever is
13 greater, but not more than the amount of the sales taxes or use taxes that is payable
14 under ss. 77.52 (1) and 77.53 (3) for that reporting period required under s. 77.58 (1),
15 as administration expenses if the payment of the taxes is not delinquent. For
16 purposes of calculating the retailer's discount under this paragraph, the taxes on
17 retail sales reported by retailers under subch. V, including taxes collected and
18 remitted as required under s. 77.785, shall be included if the payment of those taxes
19 is not delinquent.

20 **SECTION 190.** 77.61 (5m) of the statutes is created to read:

21 77.61 (5m) (a) In this subsection, "personally identifiable information" means
22 any information that identifies a person.

23 (b) A certified service provider may use personally identifiable information as
24 necessary only for the administration of its system to perform a seller's sales and use
25 tax functions and shall provide consumers clear and conspicuous notice of its practice

1 regarding such information, including how it collects the information, how it uses the
2 information, and under what circumstances it discloses the information.

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

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

15 (e) The state shall not retain personally identifiable information obtained for
16 purposes of administering this subchapter unless the state is otherwise required to
17 retain the information by law or as provided under the agreement, as defined in s.
18 77.65 (2) (a).

19 **SECTION 191.** 77.61 (16) of the statutes is created to read:

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

23 **SECTION 192.** 77.63 of the statutes is repealed and recreated to read:

24 **77.63 Collection compensation.** The following persons may retain a portion
25 of sales and use taxes collected on retail sales under this subchapter and subch. V

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

3 (1) A certified service provider.

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

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

16 **SECTION 193.** 77.65 (2) (c) of the statutes is repealed.

17 **SECTION 194.** 77.65 (2) (e) of the statutes is amended to read:

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

20 **SECTION 195.** 77.67 of the statutes is created to read:

21 **77.67 Amnesty for new registrants.** (1) A seller is not liable for uncollected
22 and unpaid taxes, including penalties and interest, imposed under this subchapter
23 and subch. V on sales made to purchasers in this state before the seller registers
24 under par. (a), if all of the following apply:

INSERT
79-19

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

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

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

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

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

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

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

24 **SECTION 196.** 77.70 of the statutes is amended to read:

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

12 **SECTION 197.** 77.705 of the statutes is amended to read:

13 **77.705 Adoption by resolution; baseball park district.** A local
14 professional baseball park district created under subch. III of ch. 229, by resolution
15 under s. 229.68 (15), may impose a sales tax and a use tax under this subchapter at
16 a rate of no more than 0.1% of the ~~gross receipts or sales price~~ or purchase price.
17 Those taxes may be imposed only in their entirety. The resolution shall be effective
18 on the first day of the first month January 1, April 1, July 1, or October 1 that begins
19 at least ~~30~~ 120 days after the adoption of the resolution. Any moneys transferred
20 from the appropriation account under s. 20.566 (1) (gd) to the appropriation account
21 under s. 20.835 (4) (gb) shall be used exclusively to retire the district's debt.

22 **SECTION 198.** 77.706 of the statutes is amended to read:

23 **77.706 Adoption by resolution; football stadium district.** A local
24 professional football stadium district created under subch. IV of ch. 229, by
25 resolution under s. 229.824 (15), may impose a sales tax and a use tax under this

1 subchapter at a rate of 0.5% of the ~~gross receipts or sales price~~ or purchase price.
2 Those taxes may be imposed only in their entirety. The imposition of the taxes under
3 this section shall be effective on the first day of the first month January 1, April 1,
4 July 1, or October 1 that begins at least ~~30~~ 120 days after the certification of the
5 approval of the resolution by the electors in the district's jurisdiction under s. 229.824
6 (15). Any moneys transferred from the appropriation account under s. 20.566 (1) (ge)
7 to the appropriation account under s. 20.835 (4) (ge) shall be used exclusively to retire
8 the district's debt.

9 **SECTION 199.** 77.707 (1) of the statutes is amended to read:

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

18 **SECTION 200.** 77.707 (2) of the statutes is amended to read:

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

1 day after the last day of that calendar quarter and fees, interest and penalties that
2 relate to those taxes.

3 **SECTION 201.** 77.71 (1) of the statutes is amended to read:

4 77.71 (1) For the privilege of selling, licensing, leasing or renting tangible
5 personal property, and the property and items specified under s. 77.52 (1) (b) to (d),
6 and for the privilege of selling, licensing, performing or furnishing services a sales
7 tax is imposed upon retailers at the rate of 0.5% in the case of a county tax or at the
8 rate under s. 77.705 or 77.706 in the case of a special district tax of the gross receipts
9 sales price from the sale, licensing, lease or rental of tangible personal property,
10 except property taxed under sub. (4), sold, licensed, leased or rented at retail in the
11 county or special district or from selling, licensing, performing or furnishing services
12 described under s. 77.52 (2) in the county or special district.

13 **SECTION 202.** 77.71 (2) of the statutes is amended to read:

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

^property and items specified under s. 77.52 (1) (b) and (c)^

1 **SECTION 203.** 77.71 (3) of the statutes is amended to read:

2 77.71 (3) An excise tax is imposed upon a contractor engaged in construction
3 activities within the county or special district, at the rate of 0.5% in the case of a
4 county tax or at the rate under s. 77.705 or 77.706 in the case of a special district tax
5 of the sales purchase price of tangible personal property that is used in constructing,
6 altering, repairing or improving real property and that becomes a component part
7 of real property in that county or special district, except that if the contractor has
8 paid the sales tax of a county in the case of a county tax or of a special district in the
9 case of a special district tax in this state on that property, or has paid a similar local
10 sales tax in another state on a purchase of the same property, that tax shall be
11 credited against the tax under this subsection.

12 **SECTION 204.** 77.71 (4) of the statutes is amended to read:

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

23 **SECTION 205.** 77.72 (title) of the statutes is repealed.

24 **SECTION 206.** 77.72 (1) of the statutes is renumbered 77.72 and amended to
25 read:

1 **77.72 General rule for property.** For the purposes of this subchapter, all
2 retail sales of tangible personal property are completed at the time when, and the
3 place where, the seller or the seller's agent transfers possession to the buyer or the
4 buyer's agent. In this subsection, a common carrier or the U.S. postal service is the
5 agent of the seller, regardless of any f.o.b. point and regardless of the method by
6 which freight or postage is paid. Rentals and leases of property, except property
7 under sub. (2), have a situs at the location of that property, and property and items
8 specified under s. 77.52 (1) (b) to (d), and (c), and taxable services occur as provided in s.
9 77.522.

10 **SECTION 207.** 77.72 (2) and (3) of the statutes are repealed.

11 **SECTION 208.** 77.73 (2) of the statutes is amended to read:

12 **77.73 (2)** Counties and special districts do not have jurisdiction to impose the
13 tax under s. 77.71 (2) in regard to tangible personal property, except snowmobiles,
14 trailers, semitrailers, and all-terrain vehicles, purchased in a sale that is
15 consummated in another county or special district in this state that does not have
16 in effect an ordinance or resolution imposing the taxes under this subchapter and
17 later brought by the buyer into the county or special district that has imposed a tax
18 under s. 77.71 (2).

19 **SECTION 209.** 77.73 (3) of the statutes is created to read:

20 **77.73 (3)** Counties and special districts have jurisdiction to impose the taxes
21 under this subchapter on retailers who file an application under s. 77.52 (7) or who
22 register under s. 77.53 (9) or (9m), regardless of whether such retailers are engaged
23 in business in the county or special district, as provided in s. 77.51 (13g). A retailer
24 who files an application under s. 77.52 (7) or who registers under s. 77.53 (9) or (9m)
25 shall collect, report, and remit to the department the taxes imposed under this

1 subchapter for all counties and special districts that have an ordinance or resolution
2 imposing the taxes under this subchapter.

3 **SECTION 210.** 77.75 of the statutes is amended to read:

4 **77.75 Reports.** Every person subject to county or special district sales and use
5 taxes shall, for each reporting period, record that person's sales made in the county
6 or special district that has imposed those taxes separately from sales made
7 elsewhere in this state and file a report of the measure of the county or special district
8 ~~sales and use taxes and the tax due thereon separately~~ as prescribed by the
9 department of revenue.

10 **SECTION 211.** 77.77 (1) of the statutes is renumbered 77.77 (1) (a) and amended
11 to read:

12 77.77 (1) (a) The ~~gross receipts~~ sales price from services subject to the tax under
13 s. 77.52 (2) ~~are not~~ or the lease, rental, or license of tangible personal property, and
14 property and items specified under s. 77.52 (1) (b) ^{and (c)} to (d), is subject to the taxes under
15 this subchapter, and the incremental amount of tax caused by a rate increase
16 applicable to those services, leases, rentals, or licenses is ~~not~~ due, if those services
17 ~~are billed to the customer and paid for before~~ beginning with the first billing period
18 starting on or after the effective date of the county ordinance, special district
19 resolution, or rate increase, regardless of whether the service is furnished or the
20 property or item is leased, rented, or licensed to the customer before or after that
21 date.

22 **SECTION 212.** 77.77 (1) (b) of the statutes is created to read:

23 77.77 (1) (b) The sales price from services subject to the tax under s. 77.52 (2)
24 or the lease, rental, or license of tangible personal property, and property and items
25 specified under s. 77.52 (1) (b) ^{and (c)} to (d), is not subject to the taxes under this subchapter,

1 and a decrease in the tax rate imposed under this subchapter on those services first
2 applies, beginning with bills rendered on or after the effective date of the repeal or
3 sunset of a county ordinance or special district resolution imposing the tax or other
4 rate decrease, regardless of whether the service is furnished or the property is leased,
5 rented, or licensed to the customer before or after that date.

6 **SECTION 213.** 77.77 (2) of the statutes is repealed.

7 **SECTION 214.** 77.785 (1) of the statutes is amended to read:

8 77.785 (1) All retailers shall collect and report the taxes under this subchapter
9 on the ~~gross receipts~~ sales price from leases and rentals of property under s. 77.71
10 (4).

11 **SECTION 215.** 77.785 (2) of the statutes is amended to read:

12 77.785 (2) Prior to registration or titling, a retailer of a boat, all-terrain vehicle,
13 ~~trailer and semi-trailer dealers and licensed aircraft, motor vehicle, or mobile home~~
14 ~~and snowmobile dealers~~ shall collect the taxes under this subchapter on sales of
15 items under s. 77.71 (4). The dealer retailer shall remit those taxes to the
16 department of revenue along with payments of the taxes under subch. III.

17 **SECTION 216.** 77.98 of the statutes is amended to read:

18 **77.98 Imposition.** A local exposition district under subch. II of ch. 229 may
19 impose a tax on the retail sale, except sales for resale, within the district's
20 jurisdiction under s. 229.43 of ~~products that are subject to a tax under s. 77.54 (20)~~
21 ~~(e) 1. to 3. and not~~ candy, as defined in s. 77.51 (1e), prepared food, as defined in s.
22 77.51 (10m), and soft drinks, as defined in s. 77.51 (17w), unless exempt from the
23 sales tax under s. 77.54 (1), (4), (7) (a), (7m), (9), (9a) or (20) (e) 5., (20n) (b) and (c),
24 and (20r).

25 **SECTION 217.** 77.981 of the statutes is amended to read:

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

10 **SECTION 218.** 77.982 (2) of the statutes is amended to read:

11 77.982 (2) Sections 77.51 (4) ~~(a), (b) 1., 2. and 4., (c) 1. to 3. and (d) (12m), (14)~~
12 ~~(a) to (f), (j) and (k) and, (14g), (15a), and (15b), 77.52 (3), (6), (4), (13), (14), (18), and~~
13 ~~(19), 77.522, 77.58 (1) to (5), (6m), and (7), 77.585, 77.59, 77.60, 77.61 (2), (3m), (5),~~
14 ~~(8), (9), and (12) to (14) (15), and 77.62, as they apply to the taxes under subch. III,~~
15 ~~apply to the tax under this subchapter. Sections 77.72 (1) and Section 77.73, as they~~
16 ~~apply it applies to the taxes under subch. V, apply applies to the tax under this~~
17 subchapter.

18 **SECTION 219.** 77.99 of the statutes is amended to read:

19 **77.99 Imposition.** A local exposition district under subch. II of ch. 229 may
20 impose a tax at the rate of 3% of the gross receipts sales price on the rental, but not
21 for rental and not for rental as a service or repair replacement vehicle, within the
22 district's jurisdiction under s. 229.43, of Type 1 automobiles, as defined in s. 340.01
23 (4) (a), by establishments primarily engaged in short-term rental of passenger cars
24 without drivers, for a period of 30 days or less, unless the sale is exempt from the sales
25 tax under s. 77.54 (1), (4), (7) (a), (7m), (9) or (9a). If the state makes a payment under

1 s. 229.50 (7) to a district's special debt service reserve fund, a majority of the district's
2 authorized board of directors may vote to increase the tax rate under this subchapter
3 to 4%.

4 **SECTION 220.** 77.991 (2) of the statutes is amended to read:

5 77.991 (2) Sections 77.51 (4) (a), (b) ~~1., 2. and 4.,~~ (c) ~~1. to 3. and~~ (d) and (12m),
6 (14) ~~(a) to (f), (j) and (k),~~ (14g), (15a), and (15b), 77.52 (3), (4), ~~(6)~~, (13), (14) and, (18),
7 and (19), 77.522, 77.58 (1) to (5), (6m), and (7), 77.585, 77.59, 77.60, 77.61 (2), (3m),
8 (5), (8), (9), and (12) to ~~(14)~~ (15), and 77.62, as they apply to the taxes under subch.
9 III, apply to the tax under this subchapter. Sections ~~77.72 (1) and (2) (a) and~~ Section
10 77.73, as they apply it applies to the taxes under subch. V, apply applies to the tax
11 under this subchapter. The renter shall collect the tax under this subchapter from
12 the person to whom the passenger car is rented.

13 **SECTION 221.** 77.994 (1) (intro.) of the statutes is amended to read:

14 77.994 (1) (intro.) Except as provided in sub. (2), a municipality or a county all
15 of which is included in a premier resort area under s. 66.1113 may, by ordinance,
16 impose a tax at a rate of 0.5% of the ~~gross receipts~~ sales price from the sale, license,
17 lease, or rental in the municipality or county of goods or services that are taxable
18 under subch. III made by businesses that are classified in the standard industrial
19 classification manual, 1987 edition, published by the U.S. office of management and
20 budget, under the following industry numbers:

21 **SECTION 222.** 77.9941 (4) of the statutes is amended to read:

22 77.9941 (4) Sections ~~77.72 (1), (2) (a) and (3) (a),~~ 77.73, 77.74, 77.75, 77.76 (1),
23 (2), and (4), ~~77.77 (1) and (2),~~ 77.785 (1), and 77.79, as they apply to the taxes under
24 subch. V, apply to the tax under this subchapter.

25 **SECTION 223.** 77.995 (2) of the statutes is repealed and recreated to read:

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

9 **SECTION 224.** 77.9951 (2) of the statutes is amended to read:

10 77.9951 (2) Sections 77.51 (4) (a), (b) 1., 2. and 4., (c) 1. to 3. and (d) and (12m),
11 (14) (a) to (f), (j) and (k), (14g), (15a), and (15b), 77.52 (3), (4), (6), (13), (14) and, (18),
12 and (19), 77.522, 77.58 (1) to (5), (6m), and (7), 77.585, 77.59, 77.60, 77.61 (2), (3m),
13 (5), (8), (9), and (12) to (14) (15), and 77.62, as they apply to the taxes under subch.
14 III, apply to the fee under this subchapter. The renter shall collect the fee under this
15 subchapter from the person to whom the vehicle is rented.

16 **SECTION 225.** 77.996 (6) of the statutes is amended to read:

17 77.996 (6) "Gross receipts" has the meaning given in s. 77.51 (4) (a), (b) 1. and
18 5., (c) 1. to 4., and (d) means the sales price, as defined in s. 77.51 (15b), of tangible
19 personal property and taxable services sold by a dry cleaning facility. "Gross
20 receipts" does not include the license fee imposed under s. 77.9961 (1m) that is passed
21 on to customers.

22 **SECTION 226.** 77.9972 (2) of the statutes is amended to read:

23 77.9972 (2) Sections 77.51 (4) (a), (b) 1., 2., and 4., (c) 1. to 3. and (d) and (12m),
24 (14) (a) to (f), (j), and (k), (14g), (15a), and (15b), 77.52 (3), (4), (6), (13), (14), and (18),
25 and (19), 77.522, 77.58 (1) to (5), (6m), and (7), 77.585, 77.59, 77.60, 77.61 (2), (3m),

(6m)

1 (5), (8), (9), and (12) to ~~(14)~~ (15), and 77.62, as they apply to the taxes under subch.
2 III, apply to the fee under this subchapter. ~~Sections 77.72 (1) and (2) (a) and Section~~
3 ~~77.73, as they apply~~ it applies to the taxes under subch. V, ~~apply~~ applies to the fee
4 under this subchapter. The renter shall collect the fee under this subchapter from
5 the person to whom the passenger car is rented.

6 **SECTION 227.** 86.195 (3) (b) 3. of the statutes is amended to read:

7 86.195 (3) (b) 3. Fifty percent of the ~~gross receipts~~ sales price, as defined in s.
8 77.51 (15b), of the business are from ~~meal, food, the sale of food product and beverage~~
9 ~~sales and food ingredients, as defined in s. 77.51 (3t), that are taxable under s. 77.54~~
10 ~~(20) (e) subch. III of ch. 77; and~~

11 **SECTION 228.** 218.0171 (2) (cq) of the statutes is amended to read:

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

18 **SECTION 9441. Effective dates; Revenue.**

19 (1) IMPLEMENTING THE STREAMLINED SALES AND USE TAX AGREEMENT. The repeal
20 of sections 20.435 (3) (bm), 46.513, 77.51 (4), 77.51 (14) (d), 77.51 (14) (i), 77.51 (14)
21 (k), 77.51 (14) (L), 77.51 (14r), 77.51 (15), 77.52 (3m), 77.52 (6), 77.52 (14) (a) 2.,
22 e 77.523 (title), 77.53 (4), 77.54 (14g), 77.54 (14s), 77.54 (20), 77.54 (20m), 77.54 (22),
23 77.54 (40), 77.61 (3), 77.65 (2) (c), 77.72 (title), 77.72 (2) and (3), and 77.77 (2) of the
24 statutes, the renumbering of sections 77.51 (1), 77.51 (14) (g), 77.524 (1) (a), 77.524
25 (1) (b), and 77.53 (9m) of the statutes, the renumbering and amendment of sections

1 77.52 (1), 77.523, 77.53 (2), 77.53 (11), 77.61 (2), 77.72 (1), and 77.77 (1) of the
2 statutes, the consolidation, renumbering and amendment of section 77.52 (14) (a)
3 (intro.) and 1. and (b) of the statutes, the amendment of sections 66.0615 (1m) (f) 2.,
4 70.111 (23), 73.03 (50) (d), 76.07 (4g) (b) 8., 77.51 (5), 77.51 (13) (o), 77.51 (13g) (intro.),
5 77.51 (14) (intro.), 77.51 (14) (a), 77.51 (14) (j), 77.51 (17), 77.51 (20), 77.51 (21), 77.52
6 (2) (intro.), 77.52 (2) (a) 5. a., 77.52 (2) (a) 10., 77.52 (7), 77.52 (13), 77.52 (15), 77.53
7 (1), 77.53 (3), 77.53 (9), 77.53 (10), 77.53 (16), 77.53 (17), 77.53 (17m), 77.53 (17r) (a),
8 77.53 (18), 77.54 (1), 77.54 (2), 77.54 (2m), 77.54 (3) (a), 77.54 (3m) (intro.), 77.54 (4),
9 77.54 (5) (intro.), 77.54 (6) (intro.), 77.54 (7m), 77.54 (8), 77.54 (9), 77.54 (9a) (intro.),
10 77.54 (10), 77.54 (11), 77.54 (12), 77.54 (13), 77.54 (14) (intro.), 77.54 (14) (a), 77.54
11 (14) (b), 77.54 (14) (f) (intro.), 77.54 (15), 77.54 (16), 77.54 (17), 77.54 (18), 77.54 (21),
12 77.54 (23m), 77.54 (25), 77.54 (26), 77.54 (26m), 77.54 (27), 77.54 (28), 77.54 (29),
13 77.54 (30) (a) (intro.), 77.54 (30) (c), 77.54 (31), 77.54 (32), 77.54 (33), 77.54 (35), 77.54
14 (36), 77.54 (37), 77.54 (38), 77.54 (39), 77.54 (41), 77.54 (42), 77.54 (43), 77.54 (44),
15 77.54 (45), 77.54 (46), 77.54 (46m), 77.54 (47) (intro.), 77.54 (47) (b) 1. and 2., 77.54
16 (48) (a), 77.54 (49), 77.55 (1) (intro.), 77.55 (2), 77.55 (2m), 77.55 (3), 77.56 (1), 77.57,
17 77.58 (3) (b), 77.58 (6), 77.59 (9), 77.61 (1) (b), 77.61 (1) (c), 77.61 (4) (c), 77.65 (2) (e),
18 77.70, 77.705, 77.706, 77.707 (1), 77.707 (2), 77.71 (1), 77.71 (2), 77.71 (3), 77.71 (4),
19 77.73 (2), 77.75, 77.785 (1), 77.785 (2), 77.98, 77.981, 77.982 (2), 77.99, 77.991 (2),
20 77.994 (1) (intro.), 77.9941 (4), 77.9951 (2), 77.996 (6), 77.9972 (2), 86.195 (3) (b) 3.,
21 and 218.0171 (2) (cq) of the statutes, the repeal and recreation of sections 77.51 (7),
22 77.51 (17m), 77.63, and 77.995 (2) of the statutes, and the creation of sections 20.566
23 (1) (ho), 73.03 (28e), 73.03 (50b), 73.03 (61), 77.51 (1b), 77.51 (1bm), 77.51 (1e), 77.51
24 (1n), 77.51 (1p), 77.51 (2k), 77.51 (2m), 77.51 (3p), 77.51 (3pd), 77.51 (3pe), 77.51
25 (3pj), 77.51 (3pm), 77.51 (3pp), 77.51 (3t), 77.51 (7m), 77.51 (9p), 77.51 (10m), 77.51

1 (10n), 77.51 (11m), 77.51 (12m), 77.51 (12p), 77.51 (13g) (c), 77.51 (13rm), 77.51 (15a),
2 77.51 (15b), 77.51 (17w), 77.51 (21p), 77.51 (22) (bm), 77.52 (1) (b), 77.52 (1) (c), 77.52
3 (1) (d), 77.52 (2) (a) 13m., 77.52 (7b), 77.52 (14) (am), 77.522, 77.524 (1) (ag), 77.53
4 (1n), 77.53 (2) (b), 77.53 (9m) (b), 77.53 (9m) (c), 77.53 (11) (b), 77.54 (14b), 77.54 (20n),
5 77.54 (20p), 77.54 (20r), 77.54 (22b), 77.54 (22c), 77.54 (48m), 77.58 (6m), 77.58 (9a),
6 77.585, 77.59 (2m), 77.59 (9n), 77.59 (9p) (b), 77.59 (9r), 77.60 (13), 77.61 (2) (b), 77.61
7 (3m), 77.61 (5m), 77.61 (16), 77.67, 77.73 (3), and 77.77 (1) (b) of the statutes take
8 effect on January 1, 2008.

9

(END)

Insert 6 - 16

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

2 77.51 (1bd) "Ancillary services" means services that are associated with or
3 incidental to providing telecommunications services, including detailed
4 telecommunications billing, directory assistance, vertical service, and voice mail
5 services. ✓

Insert 8 - 9

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

7 77.51 (1r) "Conference bridging service" means an ancillary service that links
8 2 or more participants of an audio or video conference call and may include providing
9 a telephone number, but does not include the telecommunications services used to
10 reach the conference bridge. ✓

Insert 8 - 17

11 **SECTION 3.** 77.51 (3c) of the statutes is created to read:

12 77.51 (3c) "Detailed telecommunications billing service" means an ancillary
13 service that separately indicates information pertaining to individual calls on a
14 customer's billing statement. ✓

Insert 9 - 20

15 **SECTION 4.** 77.51 (3pe) of the statutes is created to read:

16 77.51 (3pe) "Directory assistance" means an ancillary service that provides
17 telephone numbers or addresses. ✓

Insert 10 - 25

18 **SECTION 5.** 77.51 (3pn) of the statutes is created to read:

1 77.51 (3pn) “Eight^h hundred service” means a telecommunications service that
 2 allows a caller to dial a toll-free number without incurring a charge for the call and
 3 is marketed under “800,” “855,” “866,” “877,” or “888” toll-free calling, or any other
 4 number designated as toll-free by the Federal Communications Commission.

Insert 11 - 3

5 SECTION 6. 77.51 (3rm) of the statutes is created to read:

6 77.51 (3rm) “Fixed wireless service” means a telecommunications service that
 7 provides radio communication between fixed points. ✓

Insert 12 - 23

8 SECTION 7. 77.51 (7g) of the statutes is created to read:

9 77.51 (7g) “Load-and-leave” means delivery to a purchaser by using a tangible
 10 storage media that is not physically transferred to the purchaser. ✓

11 SECTION 8. 77.51 (7k) of the statutes is created to read:

12 77.51 (7k) “Mobile wireless service” means a telecommunications service for
 13 which the origination or termination points of the service’s transmission,
 14 conveyance, or routing are not fixed, regardless of the technology used to transmit,
 15 convey, or route the service. “Mobile wireless service” includes a telecommunications
 16 service provided by a commercial mobile radio service provider. ✓

Insert 13 - 7

17 SECTION 9. 77.51 (8m) of the statutes is created to read:

18 77.51 (8m) “Nine^h hundred service” means an inbound toll
 19 telecommunications service purchased by a subscriber that allows the subscriber’s
 20 customers to call the subscriber’s prerecorded announcement or live service. ✓

21 “Nine^h hundred service” does not include any charge for collection services provided

1 by the seller of the telecommunications services to the subscriber or for any product
 2 or service the subscriber sells to the subscriber's customers. A "nine hundred
 3 service" is designated with the "900" number or any other number designated by the
 4 Federal Communications Commission.

Insert 13 - 13

5 **SECTION 10.** 77.51 (9s) of the statutes is created to read:

6 77.51 (9s) "Paging service" means a telecommunications service that transmits
 7 coded radio signals to activate specific pagers and may include messages or sounds.

8 **SECTION 11.** 77.51 (10) of the statutes is amended to read:

9 77.51 (10) "Person" includes any natural person, firm, partnership, limited
 10 liability company, joint venture, joint stock company, association, public or private
 11 corporation, the United States, the state, including any unit or division of the state,
 12 any county, city, village, town, municipal utility, municipal power district or other
 13 governmental unit, cooperative, unincorporated cooperative association, estate,
 14 trust, receiver, personal representative, any other fiduciary, any other legal entity,
 15 and any representative appointed by order of any court or otherwise acting on behalf
 16 of others. "Person" also includes the owner of a single-owner entity that is
 17 disregarded as a separate entity under ch. 71.

History: 1973 c. 333; 1975 c. 39, 41, 99, 224; 1975 c. 413 s. 18; 1977 c. 29, 418; 1979 c. 1 ss. 57 to 59, 61, 62; 1979 c. 174; 1981 c. 20; 1981 c. 79 s. 17; 1983 a. 23, 27; 1983 a. 189 ss. 92 to 108, 329 (12); 1983 a. 510, 538; 1983 a. 544 ss. 13 to 46, 47 (1) (b); 1985 a. 29, 332; 1987 a. 27, 399; 1989 a. 31, 335, 336; 1991 a. 39, 269, 316; 1993 a. 16, 112, 184; 1997 a. 27, 237; 1999 a. 9, 83; 2001 a. 45, 102; 2003 a. 48; 2005 a. 25, 327, 441, 479.

18 **SECTION 12.** 77.51 (10d) of the statutes is created to read:

19 77.51 (10d) "Prepaid calling service" means the right to exclusively access
 20 telecommunications services, if that right is paid for in advance of providing such
 21 services, requires using an access number or authorization code to originate calls,

1 and is sold in predetermined units or dollars that decrease with use in a known
2 amount. ✓

3 **SECTION 13.** 77.51 (10f) of the statutes is created to read:

4 77.51 (10f) "Prepaid wireless calling service" means a telecommunications
5 service that provides the right to utilize mobile wireless service as well as other
6 nontelecommunications services, including the download of digital products
7 delivered electronically, content, and ancillary services, and that is paid for prior to
8 use and sold in predetermined dollar units whereby the number of units declines
9 with use in a known amount. ✓

Insert 14 - 24

10 (c) 1. The percentage specified under par. (a) 3. a. shall be determined using the
11 following:

12 a. A numerator that includes sales of prepared food, as defined in par. (a) 1. and ✓
13 2. ✓ and food for which plates, bowls, glasses, or cups are necessary to receive the food,
14 but not including alcoholic beverages. ✓

15 b. A denominator that includes all food and food ingredients, including
16 prepared food, candy, dietary supplements, and soft drinks, but not including
17 alcoholic beverages. ✓

18 2. a. If the percentage determined under subd. 1. is 75 percent or less, utensils
19 are considered to be provided by the retailer if the retailer's customary practice is to
20 give the utensils to the purchaser or, in the case of plates, bowls, glasses, or cups that
21 are necessary to receive the food, to make such items available to the purchaser. ✓

1 b. If the percentage determined under subd. 1. is greater than 75 percent,
2 utensils are considered to be provided by the retailer if the utensils are made
3 available to the purchaser. ✓

4 3. a. Except as provided in subd. 3. b., for a retailer whose percentage
5 determined under subd. 1. is greater than 75 percent, an item sold by the retailer that
6 contains 4 or more servings packaged as 1 item and sold for a single price does not
7 become prepared food simply because the retailer makes utensils available to the
8 purchaser of the item, but does become prepared food if the retailer gives utensils to
9 the purchaser of the item. ✓ For purposes of this subdivision 3. a., serving sizes are
10 based on the information contained on the label of each item sold, except that, if the
11 item has no label, the serving size is based on the retailer's reasonable
12 determination. ✓

13 b. For a retailer whose percentage determined under subd. 1. is greater than
14 75 percent, the retailer's packaging of 4 or more bakery products individually
15 selected by the purchaser and sold for a single price does make not the bakery
16 products prepared food even if the retailer provides, or makes available, utensils to
17 the purchaser. ✓

18 4. a. Except as provided in subd. 4. b., if a retailer sells food items that have
19 a utensil placed in a package by a person other than the retailer, the utensils are
20 considered to be provided by the retailer. ✓

21 b. ✓ If a retailer sells food items that have a utensil placed in a package by a
22 person other than the retailer and the person's primary classification in the 2002
23 North American Industry Classification System, published by the federal office of
24 management and budget, is manufacturing under subsector 311, the utensils are not
25 considered to be provided by the retailer, ~~except as provided in subds. 2. and 3.~~ ✓ Keep

Except as provided in subds 2 and 3

1 5. For purposes of par. (a) 3., a retailer shall determine the percentage for the
 2 retailer's tax year or business fiscal year, based on the retailer's data from the
 3 retailer's prior tax year or business fiscal year, as soon as practical after the retailer's
 4 accounting records are available, but not later than 90 days after the day on ^{which} the
 5 retailer's tax year or business fiscal year begins. For retailer's with more than one
 6 establishment in this state, a single determination under subd. 1. that combines the
 7 information for all of the retailer's establishments in this state shall be made
 8 annually, as provided in this subdivision, and apply to each of the retailer's
 9 establishments in this state. A retailer that has no prior tax year or business fiscal
 10 year shall make a good faith estimate of its percentage for purposes of par. (a) 3. for
 11 the retailer's first tax year or business fiscal year and shall adjust the estimate
 12 prospectively after the first 3 months of the retailer's operations if the actual
 13 percentage is materially different from the estimated percentage.

Insert 15 - 6

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

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

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

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

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

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

1 (e) Computer software as described under pars. (a) to (d), and any portion of
2 such software, that is modified or enhanced by any degree to a specific purchaser's
3 specifications, except such modification or enhancement that is reasonably and
4 separately indicated on an invoice, or other statement of the price, provided to the
5 purchaser. ✓

6 **SECTION 14.** 77.51 (10s) of the statutes is created to read:

7 77.51 (10s) "Private communication service" means a telecommunications
8 service that entitles the customer to exclusive or priority use of a communications
9 channel or group of communications channels, regardless of the manner in which the
10 communications channel or group of communications channels is connected, and
11 includes switching capacity, extension lines, stations, and other associated services
12 that are provided in connection with the use of such channel or channels. ✓

Insert 26 - 3

13 **SECTION 15.** 77.51 (21m) of the statutes is amended to read:

14 77.51 (21m) "Telecommunications Internet [✓] access services" means sending
15 messages and information transmitted through the use of local, toll and wide-area
16 telephone service; channel services; ~~telegraph services; teletypewriter;~~ computer
17 exchange services; cellular mobile telecommunications service; specialized mobile
18 radio; ~~stationary two-way radio; paging service;~~ or any other form of mobile and
19 portable one-way or two-way communications; or any other transmission of
20 messages or information by electronic or similar means between or among points by
21 wire, cable, fiber optics, laser, microwave, radio, satellite or similar facilities.

1 ~~“Telecommunications services” does not include sending collect telecommunications~~
2 ~~that are received outside of the state.~~

History: 1973 c. 333; 1975 c. 39, 41, 99, 224; 1975 c. 413 s. 18; 1977 c. 29, 418; 1979 c. 1 ss. 57 to 59, 61, 62; 1979 c. 174; 1981 c. 20; 1981 c. 79 s. 17; 1983 a. 23, 27; 1983 a. 189 ss. 92 to 108, 329 (12); 1983 a. 510, 538; 1983 a. 544 ss. 13 to 46, 47 (1)(b); 1985 a. 29, 332; 1987 a. 27, 399; 1989 a. 31, 335, 336; 1991 a. 39, 269, 316; 1993 a. 16, 112, 184; 1997 a. 27, 237; 1999 a. 9, 83; 2001 a. 45, 102; 2003 a. 48; 2005 a. 25, 327, 441, 479.

3 **SECTION 16.** 77.51 (21n) of the statutes is created to read:

4 77.51 (21n) “Telecommunications services” means electronically transmitting,
5 conveying, or routing voice, data, audio, video, or other information or signals to a
6 point or between or among points. “Telecommunications services” includes the
7 transmission, conveyance, or routing of such information or signals in which
8 computer processing applications are used to act on the content’s form, code, or
9 protocol for transmission, conveyance, or routing purposes, regardless of whether
10 the service is referred to as a voice over Internet protocol service or classified by the
11 Federal Communications Commission as an enhanced or value-added service.

12 “Telecommunications services” does not include any of the following:

13 (a) Data processing and information services that allow data to be generated,
14 acquired, stored, processed, or retrieved and delivered to a purchaser by an electronic
15 transmission, if the purchaser’s primary purpose for the underlying transaction is
16 the processed data. ✓

17 (b) Installing or maintaining wiring or equipment on a customer’s premises. ✓

18 (c) Tangible personal property. ✓

19 (d) Advertising, including directory advertising. ✓

20 (e) Billing and collection services provided to 3rd parties. ✓

21 (f) Internet access service. ✓

22 (g) Radio and television audio and video programming services, regardless of
23 the medium in which the services are provided, including cable service, as defined
24 in 47 USC 522 (6), audio and video programming services delivered by commercial

1 mobile radio service providers, as defined in 47 CFR 20.3, and the transmitting,
2 conveying, or routing of such services by the programming service provider. ✓

3 (h) Ancillary services. ✓

4 (i) Digital products delivered electronically, including software, music, video,
5 reading materials, or ring tones. ✓

Insert 26 - 13

6 **SECTION 17.** 77.51 (24) of the statutes is created to read:

7 77.51 (24) "Value-added non-voice data service" means a service in which
8 computer processing applications are used to act on the form, content, code, or
9 protocol of the data provided by the service and are used primarily for a purpose other
10 than for transmitting, conveying, or routing data. ✓

11 **SECTION 18.** 77.51 (25) of the statutes is created to read:

12 77.51 (25) "Vertical service" means an ancillary service that is provided with
13 ^{none} 1 or more telecommunications services and allows customers to identify callers and
14 to manage multiple calls and call connections, including conference bridging
15 services. ✓

16 **SECTION 19.** 77.51 (26) of the statutes is created to read:

17 77.51 (26) "Voice mail service" means an ancillary service that allows a
18 customer to store, send, or receive recorded messages, not including any vertical
19 service that the customer must have to use the voice mail service. ✓

Insert 28 - 4

20 **SECTION 20.** 77.52 (2) (a) 5. a. of the statutes is renumbered 77.52 (2) (a) 5. and
21 amended to read:

1 77.52 (2) (a) 5. The sale of telecommunications services, except services subject
 2 to 4 USC 116 to 126, as amended by P.L. 106-252, that either originate or terminate
 3 in this state; except services that are obtained by means of a toll-free number, that
 4 originate outside this state and that terminate in this state; and are charged to a
 5 service address in this state, regardless of the location where that charge is billed or
 6 paid; and the sale of the rights to purchase telecommunications services, including
 7 purchasing reauthorization numbers, by paying in advance and by using an access
 8 number and authorization code, except sales that are subject to subd. 5. b
 9 telecommunications Internet access services and ancillary services, including
 10 conference bridging services, directory assistance, ^{800A} ~~Eight-hundred~~ services, not
 11 including ^{800A} ~~eight-hundred~~ services that originate outside of this state and terminate
 12 in this state, fixed wireless services, mobile wireless services, ^{900A} ~~nine-hundred~~
 13 ^{900A} services, paging services, prepaid calling services, prepaid wireless calling services,
 14 private communications services, vertical services, and voice mail services. The tax
 15 imposed under this subdivision does not apply to detailed telecommunications
 16 billing services or value-added non-voice data services. ✓

History: 1973 c. 156; 1975 c. 39; 1977 c. 29, 142, 418; 1979 c. 174, 221; 1981 c. 20, 317; 1983 a. 2, 27; 1983 a. 189 ss. 99, 103, 107, 329 (12); 1983 a. 341, 510, 544; 1985 a. 29, 149; 1987 a. 27, 399; 1989 a. 31, 335; 1991 a. 39, 316; 1993 a. 112, 213, 308, 437; 1995 a. 27, 225, 351; 1997 a. 27, 237, 291; 1999 a. 9, 83; 1999 a. 150 s. 672; 2001 a. 16, 104, 109; 2003 a. 33, 321; 2005 a. 149, 327, 344; s. 13.93 (1) (b) and (2) (c).

17 **SECTION 21.** 77.52 (2) (a) 5. b. of the statutes is repealed.

18 **SECTION 22.** 77.52 (2) (a) 5m. of the statutes is amended to read:

19 77.52 (2) (a) 5m. The sale of services that consist of recording
 20 telecommunications messages and transmitting them to the purchaser of the service
 21 or at that purchaser's direction, but not including those services if they are merely
 22 an that are taxable under subd. 5. or services that are incidental, as defined in s.
 23 77.51 (5), element of to another service that is not taxable under this subchapter and

1 sold to ~~that~~ the purchaser of the incidental service and is not taxable under this
2 subchapter.

History: 1973 c. 156; 1975 c. 39; 1977 c. 29, 142, 418; 1979 c. 174, 221; 1981 c. 20, 317; 1983 a. 2, 27; 1983 a. 189 ss. 99, 103, 107, 329 (12); 1983 a. 341, 510, 544; 1985 a. 29, 149; 1987 a. 27, 399; 1989 a. 31, 335; 1991 a. 39, 316; 1993 a. 112, 213, 308, 437; 1995 a. 27, 225, 351; 1997 a. 27, 237, 291; 1999 a. 9, 83; 1999 a. 150 s. 672; 2001 a. 16, 104, 109; 2003 a. 33, 321; 2005 a. 149, 327, 344; s. 13.93 (1) (b) and (2) (c).

Insert ~~41~~ - ~~22~~

40-22

3 2. The sale of a telecommunications internet access service and ancillary
4 services occurs at the customer's place of primary use.

Insert 43 - 19

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

7 77.51 (1g) "Certified service provider" means an agent that is certified jointly
8 by the states that are signatories to the agreement, as defined in s. 77.65 (2) (a), and
9 that performs all of a seller's sales tax and use tax functions related to the seller's
10 retail sales, except that a certified service provider is not responsible for a retailer's
11 obligation to remit tax on the retailer's own purchases. ✓

History: 2001 a. 16; 2003 a. 321.

Insert 73 - 7

INSECT
↑
end of inserts

12 (b) No seller or certified service provider who uses a certified automated system
13 certified under s. 73.03 (61) (b) is liable for any tax, interest, or penalties imposed
14 under this subchapter that result from using the certified automated system and the
15 system is not operating as certified. ✓

Insert 79 - 19

16 **SECTION 24.** 77.65 (2) (f) of the statutes is amended to read: ✓

17 77.65 (2) (f) "State" means any state of the United States and, the District of
18 Columbia, and the Commonwealth of Puerto Rico. ✓

History: 2001 a. 16.

1 **SECTION 25.** 77.65 (4) (fm) of the statutes is created to read:

2 77.65 (4) (fm) Provide that a seller who registers with the central electronic
3 registration system under par. (f) may cancel the registration at any time, as
4 provided under uniform procedures adopted by the governing board of the states that
5 are signatories to the agreement, but is required to remit any Wisconsin taxes
6 collected pursuant to the agreement to the department. ✓

Current A (to insert 43-19)

Section #. 77.525 of the statutes is amended to read:

77.525 Reduction to prevent double taxation. Any person who is subject to the tax under s. 77.52

→ (2) (a) 5. ^{↓ ↓} on telecommunications services that terminate in this state and who has paid a similar tax on the same services to another state may reduce the amount of the tax remitted to this state by an amount equal to the similar tax properly paid to another state on those services or by the amount due this state on those services, whichever is less. That person shall refund proportionally to the persons to whom the tax under s. 77.52 (2) (a) 5. [↓] was passed on an amount equal to the amounts not remitted. ↑

History: 1997 a. 27; 2001 a. 109.

STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU

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**DRAFTER'S NOTE
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