

2007 DRAFTING REQUEST

Bill

Received: 02/02/2007

Received By: jkreya

Wanted: As time permits

Identical to LRB:

For: Administration-Budget

By/Representing: Palchik

This file may be shown to any legislator: NO

Drafter: jkreya

May Contact:

Addl. Drafters:

Subject: Tax, Other - sales

Extra Copies:

Submit via email: NO

Pre Topic:

DOA:.....Palchik, BB0434 -

Topic:

Sales and use tax exemption for catalogs

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?				_____			S&L Tax
/1	jkreya 02/02/2007	lkunkel 02/02/2007	sherritz 02/02/2007	_____	sbasford 02/05/2007		S&L Tax
/2	jkreya 02/05/2007	lkunkel 02/05/2007	jfrantze 02/05/2007	_____	sbasford 02/05/2007		

FE Sent For:

<END>

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jk/mk 2/5 jk sbasford jk

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/?	jkreye	1/mk 2/2	Sh 2/2	Sh 2/2			

FE Sent For:

<END>

Kreye, Joseph

From: Palchik, Laurie A - DOA
Sent: Friday, February 02, 2007 12:50 PM
To: Kreye, Joseph
Subject: RE: Sales Tax Exemption --Expanded printer exemption

Please use our tracking number BB0434 for your draft. Thankyou.

Laurie A. Palchik
Executive Policy and Budget Analyst
Division of Executive Budget and Finance
608-267-0371 (office)
608-267-0372 (fax)

From: Koskinen, John - DOA
Sent: Friday, February 02, 2007 12:24 PM
To: Palchik, Laurie A - DOA
Subject: FW: Sales Tax Exemption --Expanded printer exemption

From: Koskinen, John - DOA
Sent: Friday, February 02, 2007 12:02 PM
To: Kreye, Joseph - LEGIS
Subject: Sales Tax Exemption --Expanded printer exemption

I hate to do this to you but we have a few last minute additions to the budget.

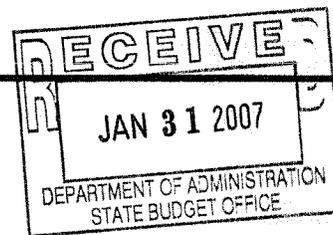
Could you draft this for inclusion in the budget with an effective date of April 1, 2009?

thanks

From: Easton, Darren - DOA
Sent: Thursday, February 01, 2007 1:17 PM
To: Koskinen, John - DOA
Subject: pdf of new printer exemption

Darren M. Easton
Executive Policy and Budget Analyst
608-266-7597

Potter, Dan



From: Wisconsin Merchants Federation [dqj@supranet.net]
Sent: Tuesday, March 22, 2005 12:51 PM
To: Matt Kussow
Cc: Mike Tobin; Potter, Dan; Rick Chandler
Subject: Printing Exemption

Matt: Chandler and I met with Dean this morning and he asked I send you this language...take care. Doug

> -----Original Message-----

> From: Hardt, Diane L
> Sent: Saturday, February 12, 2005 2:53 PM
> To: Johnson, Douglas
> Subject: Printing Exemption

> Doug:

> Here is the language that provides an exemption for the sale of and
> the storage, use or other consumption of catalogs and their mailing
> envelopes which are designed to advertise and promote the sale of
> merchandise, or to advertise the services of individual businesses.
> The fiscal effect is \$2.5 million state tax and \$0.2 million local tax
> per year.

> Diane

> I. Amend sec. 77.52(2)(a)11, Stats., as follows:

> 77.52 Imposition of retail sales tax

> (2)

> (a) The tax imposed herein applies to the following types of services:

> 11. The producing, fabricating, processing, printing or
> imprinting of tangible personal property for a consideration for
> consumers who furnished directly or indirectly the materials used in
> producing, fabricating, processing, printing, or imprinting. This
> subdivision does not apply to the printing or imprinting of tangible
> personal property which will be subsequently transported outside the
> state for use outside the state by the consumer for advertising
> purposes results in printed material, catalogs, or envelopes that
> would be exempt under s. 77.54(25) or (25m), Stats.

> I. Amend sec. 77.54(25), Stats., as follows:

> 77.54 General exemptions. There are exempted from the taxes
> imposed by this subchapter:

> (25) The gross receipts from the sale of and the storage
> of printed material which is designed to advertise and promote the
> sale of merchandise, or to advertise the services of individual
> business firms, which printed material is purchased and stored for the
> purpose of subsequently transporting it outside the state by the
> purchaser for use thereafter solely outside the state. This exemption
> does not apply to catalogs and their mailing envelopes.

>
> I. Create sec. 77.54(25m), Stats., as follows:
>
> 77.54 General exemptions. There are exempted from the taxes imposed by
> this subchapter:
>
> (25m) The gross receipts from the sale of and the storage, use or
> other consumption of catalogs and their mailing envelopes which are
> designed to advertise and promote the sale of merchandise, or to
> advertise the services of individual business firms. "Catalog" means
> a printed and bound, stitched, sewed, or stapled book containing a
> list and description of property or services for sale with or without
> a price.
>
>
>
>

Note: This document is not intended to support the exemptions proposed by the printing industry but merely sets forth wording that would allow the department to more easily administer the exemptions if they are enacted.

I. Amend sec. 77.52(2)(a)11, Stats., as follows:

77.52 Imposition of retail sales tax

(2)

(a) The tax imposed herein applies to the following types of services:

11. The producing, fabricating, processing, printing or imprinting of tangible personal property for a consideration for consumers who furnished directly or indirectly the materials used in producing, fabricating, processing, printing, or imprinting. This subdivision does not apply to the printing or imprinting of tangible personal property which ~~will be subsequently transported outside the state for use outside the state by the consumer for advertising purposes~~ results in printed material, catalogs, or envelopes that would be exempt under s. 77.54(25) or (25m), Stats.

II. Amend sec. 77.54(25), Stats., as follows:

77.54 General exemptions. There are exempted from the taxes imposed by this subchapter:

(25) The gross receipts from the sale of and the storage of printed material which is designed to advertise and promote the sale of merchandise, or to advertise the services of individual business firms, which printed material is purchased and stored for the purpose of subsequently transporting it outside the state by the purchaser for use thereafter solely outside the state. This exemption does not apply to catalogs and their mailing envelopes.

III. Create sec. 77.54(25m), Stats., as follows:

77.54 General exemptions. There are exempted from the taxes imposed by this subchapter:

(25m) The gross receipts from the sale of and the storage, use or other consumption of catalogs and their mailing envelopes which are designed to advertise and promote the sale of merchandise, or to advertise the services of individual business firms. "Catalog" means a printed and bound, stitched, sewed, or stapled book containing a list and description of property or services for sale with or without a price.



State of Wisconsin
2007 - 2008 LEGISLATURE

LRB-1823/1

JK:.....

Imk

DOA:.....Palchik, BB0434 - Sales and use tax exemption for catalogs
FOR 2007-09 BUDGET -- NOT READY FOR INTRODUCTION

in 2-2-07

Do NOT (em)

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

TAXATION

OTHER TAXATION

This bill creates a sales and use tax exemption for catalogs and the envelopes in which the catalogs are mailed. ✓

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill. ✓

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill. ✓

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

2 SECTION 1. 77.51 (1j) of the statutes is created to read:

3 77.51 (1j) "Catalog" means a printed and bound, stitched, sewed, or stapled
4 book containing a list and description of property or services for sale, regardless of
5 whether a price is specified. ✓

1 **SECTION 2.** 77.52 (2) (a) 11. of the statutes is amended to read:

2 77.52 (2) (a) 11. The producing, fabricating, processing, printing or imprinting
3 of tangible personal property for a consideration for consumers who furnish directly
4 or indirectly the materials used in the producing, fabricating, processing, printing
5 or imprinting. This subdivision does not apply to the printing or imprinting of
6 tangible personal property ~~which will be subsequently transported outside the state~~
7 ~~for use outside the state by the consumer for advertising purposes that results in~~
8 printed material, catalogs, or envelopes that are exempt under s. 77.54 (25) and
9 (25m). ✓

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).

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

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

History: 1971 c. 64, 154, 215, 311; 1973 c. 90, 156, 240; 1975 c. 39, 96, 102, 146, 200; 1977 c. 29; 1977 c. 83 ss. 13, 26; 1977 c. 250, 368, 418; 1979 c. 1, 34, 87, 174; 1981 c. 20; 1981 c. 79 s. 18; 1981 c. 96 s. 67; 1981 c. 264; 1981 c. 282 s. 47; 1981 c. 317; 1983 a. 27 ss. 1284d to 1284np, 2202 (38); 1983 a. 189 ss. 101, 106, 329 (5), (12), (13); 1983 a. 192, 287, 405, 426, 498, 510, 538, 544; 1985 a. 29, 149, 332; 1987 a. 27; 1987 a. 312 s. 17; 1987 a. 399; 1989 a. 31, 238, 270, 335, 359; 1991 a. 37, 39, 269, 316; 1993 a. 16, 263, 332; 1995 a. 27, 125, 225, 227; 1997 a. 27, 35, 41, 184, 237, 291; 1999 a. 9, 65, 83; 1999 a. 150 s. 672; 1999 a. 167; 2001 a. 16, 103, 109; 2003 a. 99, 128; 2005 a. 25, 74, 141, 149, 335, 366, 479; s. 13.93 (2) (c).

17 **SECTION 4.** 77.54 (25m) of the statutes is created to read:

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

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

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

(date)

LRB-1823/2dn

JK:lmk:sh

↙
stays

This draft reconciles LRB-0728/6 and LRB-1823/1. Both of these drafts should continue to appear in the compiled bill.

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



State of Wisconsin
2007 - 2008 LEGISLATURE

LRB-1823/1

JK:lmk:sh

2
RMK → stays

DOA:.....Palchik, BB0434 - Sales and use tax exemption for catalogs
FOR 2007-09 BUDGET -- NOT READY FOR INTRODUCTION

in 2-5-07

DONOTON

DN

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

TAXATION

OTHER TAXATION

This bill creates a sales and use tax exemption for catalogs and the envelopes in which the catalogs are mailed.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

2 SECTION 1. 77.51 (1j) of the statutes is created to read:

3 77.51 (1j) "Catalog" means a printed and bound, stitched, sewed, or stapled
4 book containing a list and description of property or services for sale, regardless of
5 whether a price is specified.

1 SECTION 2. 77.52 (2) (a) 11. of the statutes is amended to read:

2 77.52 (2) (a) 11. The producing, fabricating, processing, printing or imprinting
3 of tangible personal property for a consideration for consumers who furnish directly
4 or indirectly the materials used in the producing, fabricating, processing, printing
5 or imprinting. This subdivision does not apply to the printing or imprinting of
6 tangible personal property which will be subsequently transported outside the state
7 for use outside the state by the consumer for advertising purposes that results in
8 printed material, catalogs, or envelopes that are exempt under s. 77.54 (25) and
9 (25m).

as affected by 2007 Wisconsin Act 22 (this act)

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

11 77.54 (25) The ~~gross receipts~~ ^{sales price} from the sale of and the storage of printed
12 material which is designed to advertise and promote the sale of merchandise, or to
13 advertise the services of individual business firms, which printed material is
14 purchased and stored for the purpose of subsequently transporting it outside the
15 state by the purchaser for use thereafter solely outside the state. This subsection
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17 SECTION 4. 77.54 (25m) of the statutes is created to read:

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

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

23 (1) CATALOG SALES AND USE TAX EXEMPTION. The treatment of sections 77.51 (1j),
24 77.52 (2) (a) 11., and 77.54 (25) and (25m) of the statutes takes effect on April 1, 2009.

25 (END)

INSERT 2-16

INSERT 2-21

**2007-2008 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1823/2ins
JK:lmk:sh

Insert 2-16

****NOTE: This is reconciled s. 77.54 (25). This SECTION has been affected by drafts with the following LRB numbers: 07286 and 1823

Insert 2-21

****NOTE: This is reconciled s. 77.54 (25m). This SECTION has been affected by drafts with the following LRB numbers: 07286 and 1823

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1823/2dn
JK:lmk:jf

February 5, 2007

This draft reconciles LRB-0728/6 and LRB-1823/1. Both of these drafts should continue to appear in the compiled bill.

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



State of Wisconsin
2007 - 2008 LEGISLATURE

LRB-1823/2

JK:lmk:jf

DOA:.....Palchik, BB0434 - Sales and use tax exemption for catalogs
FOR 2007-09 BUDGET -- NOT READY FOR INTRODUCTION

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8 printed material, catalogs, or envelopes that are exempt under s. 77.54 (25) and
9 (25m).

10 **SECTION 3.** 77.54 (25) of the statutes, as affected by 2007 Wisconsin Act ... (this
11 act), is amended to read:

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

****NOTE: This is reconciled s. 77.54 (25). This SECTION has been affected by drafts
with the following LRB numbers: 0728 and 1823.

18 **SECTION 4.** 77.54 (25m) of the statutes is created to read:

19 77.54 (25m) The sales price from the sale of and the storage, use, or other
20 consumption of catalogs, and the envelopes in which the catalogs are mailed, that are
21 designed to advertise and promote the sale of merchandise or to advertise the
22 services of individual business firms.

****NOTE: This is reconciled s. 77.54 (25m). This SECTION has been affected by drafts
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