

1 rules under s. 560.785, excluding jobs for which a credit has been claimed under s.  
2 71.47 (1d), in an enterprise development zone under s. 560.797 and for which  
3 significant capital investment was made and by then subtracting the subsidies paid  
4 under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3m)  
5 (c) for those jobs.

6 **SECTION 2166.** 76.636 (2) (e) of the statutes is amended to read:

7 76.636 (2) (e) The amount determined by multiplying the amount determined  
8 under s. 560.785 (1) (c) by the number of full-time jobs retained, as provided in the  
9 rules under s. 560.785, excluding jobs for which a credit has been claimed under s.  
10 71.47 (1d), in a development zone and not filled by a member of a targeted group and  
11 by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and  
12 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

13 **SECTION 2167.** Chapter 77 (title) of the statutes is amended to read:

14 **CHAPTER 77**

15 **TAXATION OF FOREST CROPLANDS;**

16 **REAL ESTATE TRANSFER FEES;**

17 **SALES AND USE TAXES; COUNTY**

18 **AND SPECIAL DISTRICT SALES**

19 **AND USE TAXES; MANAGED FOREST**

20 **LAND; TEMPORARY RECYCLING**

21 **SURCHARGE; LOCAL FOOD AND**

22 **BEVERAGE TAX; LOCAL RENTAL**

23 **CAR TAX; PREMIER RESORT AREA**

24 **TAXES; STATE RENTAL VEHICLE FEE;**



1                                   **DRY CLEANING FEES; REGIONAL**  
2                                   **TRANSIT AUTHORITY FEE;**  
3                                   **OIL COMPANY ASSESSMENT**

4           **SECTION 2168.** 77.22 (1) of the statutes is amended to read:

5           77.22 (1) There is imposed on the grantor of real estate a real estate transfer  
6 fee at the rate of 30 60 cents for each \$100 of value or fraction thereof on every  
7 conveyance not exempted or excluded under this subchapter. In regard to land  
8 contracts the value is the total principal amount that the buyer agrees to pay the  
9 seller for the real estate. This fee shall be collected by the register at the time the  
10 instrument of conveyance is submitted for recording. Except as provided in s. 77.255,  
11 at the time of submission the grantee or his or her duly authorized agent or other  
12 person acquiring an ownership interest under the instrument, or the clerk of court  
13 in the case of a foreclosure under s. 846.16 (1), shall execute a return, signed by both  
14 grantor and grantee, on the form prescribed under sub. (2). The register shall enter  
15 the fee paid on the face of the deed or other instrument of conveyance before  
16 recording, and, except as provided in s. 77.255, submission of a completed real estate  
17 transfer return and collection by the register of the fee shall be prerequisites to  
18 acceptance of the conveyance for recording. The register shall have no duty to  
19 determine either the correct value of the real estate transferred or the validity of any  
20 exemption or exclusion claimed. If the transfer is not subject to a fee as provided in  
21 this subchapter, the reason for exemption shall be stated on the face of the  
22 conveyance to be recorded by reference to the proper subsection under s. 77.25.

23           **SECTION 2169.** 77.24 of the statutes is amended to read:

24           **77.24 Division of fee.** Twenty Ten percent of all fees collected under this  
25 subchapter shall be retained by the county and the balance shall be transmitted to

1 the state. Remittances shall be made monthly by the county treasurers to the  
2 department of revenue by the 15th day of the month following the close of the month  
3 in which the fee was collected. The remittance to the department shall be  
4 accompanied by the returns executed under s. 77.22. The state shall deposit all  
5 moneys received under this section with respect to conveyances recorded on or after  
6 July 1, 2007, into the county aid fund.

7 **SECTION 2170.** 77.51 (1) of the statutes is renumbered 77.51 (1fd) and amended  
8 to read:

9 77.51 (1fd) "Business" includes any activity engaged in by any person or caused  
10 to be engaged in by any person with the object of gain, benefit or advantage, either  
11 direct or indirect, and includes also the furnishing and distributing of tangible  
12 personal property, items or property under s. 77.52 (1) (b) or (c), specified digital  
13 goods, additional digital goods, or taxable services for a consideration by social clubs  
14 and fraternal organizations to their members or others.

15 **SECTION 2171.** 77.51 (1a) of the statutes is created to read:

16 77.51 (1a) "Additional digital goods" means video greeting cards sent by  
17 electronic mail, finished artwork, periodicals, and video or electronic games. For  
18 purposes of this subchapter, the sale of or the storage, use, or other consumption of  
19 a digital code is treated the same as the sale of or the storage, use, or other  
20 consumption of any additional digital goods for which the digital code relates.

21 **SECTION 2172.** 77.51 (1b) of the statutes is created to read:

22 77.51 (1b) "Alcoholic beverage" means a beverage that is suitable for human  
23 consumption and that contains 0.5 percent or more of alcohol by volume.

24 **SECTION 2173.** 77.51 (1ba) of the statutes is created to read:

1       77.51 (1ba). “Ancillary services” means services that are associated with or  
2 incidental to providing telecommunications services, including detailed  
3 telecommunications billing, directory assistance, vertical service, and voice mail  
4 services, but not including specified digital goods and additional digital goods.

5       **SECTION 2174.** 77.51 (1d) of the statutes is created to read:

6       77.51 (1d) “Biotechnologies” include recombinant deoxyribonucleic acid  
7 techniques, biochemistry, molecular and cellular biology, genetics, genetic  
8 engineering, biological cell fusion, and other bioprocesses.

9       **SECTION 2175.** 77.51 (1e) of the statutes is created to read:

10       77.51 (1e) “Biotechnology business” means a business, as certified by the  
11 department in the manner prescribed by the department, that is primarily engaged  
12 in the application of biotechnologies that use a living organism or parts of an  
13 organism to produce or modify products to improve plants or animals or to improve  
14 animal or human health, develop microorganisms for specific uses, identify targets  
15 for small molecule pharmaceutical development, or transform biological systems  
16 into useful processes and products.

17       **SECTION 2176.** 77.51 (1f) of the statutes is created to read:

18       77.51 (1f) “Bundled transaction” means the retail sale of 2 or more products,  
19 not including real property and services to real property, if the products are distinct  
20 and identifiable products and sold for one nonitemized price. “Bundled transaction”  
21 does not include any of the following:

22       (a) The sale of any products for which the sales price varies or is negotiable  
23 based on the purchaser’s selection of the products included in the transaction.

1 (b) 1. The retail sale of tangible personal property and a service, if the tangible  
2 personal property is essential to the use of the service, and provided exclusively in  
3 connection with the service, and if the true object of the transaction is the service.

4 2. The retail sale of a service and specified digital goods or additional digital  
5 goods, if such goods are essential to the use of the service, and provided exclusively  
6 in connection with the service, and if the true object of the transaction is the service.

7 3. The retail sale of a service and items or property under s. 77.52 (1) (b) or (c),  
8 if such property or items are essential to the use of the service, and provided  
9 exclusively in connection with the service, and if the true object of the transaction  
10 is the service.

11 (c) The retail sale of services, if one of the services is essential to the use or  
12 receipt of another service, and provided exclusively in connection with the other  
13 service, and if the true object of the transaction is the other service.

14 (d) A transaction that includes taxable and nontaxable products, if the seller's  
15 purchase price or the sales price of the taxable products is no greater than 10 percent  
16 of the seller's total purchase price or sales price of all the bundled products, as  
17 determined by the seller using either the seller's purchase price or sales price, but  
18 not a combination of both, or, in the case of a service contract, the full term of the  
19 service contract.

20 (e) The retail sale of taxable tangible personal property or items or property  
21 under s. 77.52 (1) (b) or (c) and tangible personal property or items or property under  
22 s. 77.52 (1) (b) or (c) that is exempt from the taxes imposed under this subchapter,  
23 if the transaction includes food and food ingredients, drugs, durable medical  
24 equipment, mobility-enhancing equipment, prosthetic devices, or medical supplies  
25 and if the seller's purchase price or the sales price of the taxable tangible personal

1 property or items or property under s. 77.52 (1) (b) or (c) is no greater than 50 percent  
2 of the seller's total purchase price or sales price of all the tangible personal property  
3 or items or property under s. 77.52 (1) (b) or (c) included in what would otherwise be  
4 a bundled transaction, as determined by the seller using either the seller's purchase  
5 price or the sales price, but not a combination of both.

6 **SECTION 2177.** 77.51 (1fm) of the statutes is created to read:

7 77.51 (1fm) "Candy" means a preparation of sugar, honey, or other natural or  
8 artificial sweetener combined with chocolate, fruit, nuts, or other ingredients or  
9 flavorings in the form of bars, drops, or pieces. "Candy" does not include a  
10 preparation that contains flour or that requires refrigeration.

11 **SECTION 2178.** 77.51 (1j) of the statutes is created to read:

12 77.51 (1j) "Catalog" means a printed and bound, stitched, sewed, or stapled  
13 book containing a list and description of property or services for sale, regardless of  
14 whether a price is specified.

15 **SECTION 2179.** 77.51 (1n) of the statutes is created to read:

16 77.51 (1n) "Computer" means an electronic device that accepts information in  
17 digital or similar form and that manipulates such information to achieve a result  
18 based on a sequence of instructions.

19 **SECTION 2180.** 77.51 (1p) of the statutes is created to read:

20 77.51 (1p) "Computer software" means a set of coded instructions designed to  
21 cause a computer or automatic data processing equipment to perform a task.  
22 "Computer software" does not include specified digital goods and additional digital  
23 goods.

24 **SECTION 2181.** 77.51 (1r) of the statutes is created to read:

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

5           **SECTION 2182.** 77.51 (2k) of the statutes is created to read:

6           77.51 (2k) "Delivered electronically" means delivered to a purchaser by means  
7           other than by tangible storage media.

8           **SECTION 2183.** 77.51 (2m) of the statutes is created to read:

9           77.51 (2m) "Delivery charges" means charges by a seller to prepare and deliver  
10          tangible personal property, items or property under s. 77.52 (1) (b) or (c), specified  
11          digital goods, additional digital goods, or services to a location designated by the  
12          purchaser of the tangible personal property, items or property under s. 77.52 (1) (b)  
13          or (c), specified digital goods, additional digital goods, or services, including charges  
14          for transportation, shipping, postage, handling, crating, and packing.

15          **SECTION 2184.** 77.51 (3c) of the statutes is created to read:

16          77.51 (3c) "Detailed telecommunications billing service" means an ancillary  
17          service that separately indicates information pertaining to individual calls on a  
18          customer's billing statement.

19          **SECTION 2185.** 77.51 (3n) of the statutes is created to read:

20          77.51 (3n) "Dietary supplement" means a product, other than tobacco, that is  
21          intended to supplement a person's diet, if all of the following apply:

22          (a) The product contains any of the following ingredients or any combination  
23          of any of the following ingredients:

24               1. A vitamin.

25               2. A mineral.

1           3. An herb or other botanical.

2           4. An amino acid.

3           5. A dietary substance that is intended for human consumption to supplement  
4 the diet by increasing total dietary intake.

5           6. A concentrate, metabolite, constituent, or extract.

6           (b) The product is intended for ingestion in tablet, capsule, powder, soft-gel,  
7 gel-cap, or liquid form, or, if not intended for ingestion in such forms, is not  
8 represented as conventional food and is not represented for use as the sole item of  
9 a meal or diet.

10          (c) The product is required to be labeled as a dietary supplement as required  
11 under 21 CFR 101.36.

12          **SECTION 2186.** 77.51 (3p) of the statutes is created to read:

13          **77.51 (3p)** "Digital audio works" means works that result from the fixation of  
14 a series of musical, spoken, or other sounds that are transferred electronically,  
15 including prerecorded or live music, prerecorded or live readings of books or other  
16 written materials, prerecorded or live speeches, or ringtones, but not including audio  
17 greeting cards sent by electronic mail.

18          **SECTION 2187.** 77.51 (3pa) of the statutes is created to read:

19          **77.51 (3pa)** "Digital audiovisual works" means a series of related images that,  
20 when shown in succession, impart an impression of motion, along with  
21 accompanying sounds, if any, that are transferred electronically. "Digital  
22 audiovisual works" includes motion pictures, musical videos, news programs, and  
23 live events, but does not include video greeting cards sent by electronic mail or video  
24 or electronic games.

25          **SECTION 2188.** 77.51 (3pb) of the statutes is created to read:

1           77.51 (3pb) "Digital books" means works that are generally recognized as  
2 books and are transferred electronically. "Digital books" includes novels, nonfiction  
3 works, and short stories, but does not include newspapers, periodicals, chat room  
4 discussions, or blogs.

5           **SECTION 2189.** 77.51 (3pc) of the statutes is created to read:

6           77.51 (3pc) "Digital code" means a code that provides the person who holds the  
7 code a right to obtain an additional digital good, a digital audiovisual work, digital  
8 audio work, or digital book and that may be obtained by any means, including  
9 tangible forms and electronic mail, regardless of whether the code is designated as  
10 song code, video code, or book code. "Digital code" includes codes used to access or  
11 obtain any specified digital goods, or any additional digital goods that have been  
12 previously purchased, and promotion cards or codes that are purchased by a retailer  
13 or other business entity for use by the retailer's or entity's customers. "Digital code"  
14 does not include the following:

15           1. A code that represents any redeemable card, gift card, or gift certificate that  
16 entitles the holder of such card or certificate to select any specified digital goods or  
17 additional digital goods at the cash value indicated by the card or certificate.

18           2. Digital cash that represents a monetary value that a customer may use to  
19 pay for a future purchase.

20           **SECTION 2190.** 77.51 (3pd) of the statutes is created to read:

21           77.51 (3pd) "Direct mail" means printed material that is delivered by the U.S.  
22 postal service or other delivery service to a mass audience or to addressees on a  
23 mailing list provided by or at the direction of the purchaser of the printed material,  
24 if the cost of the printed material or any tangible personal property or items or  
25 property under s. 77.52 (1) (b) or (c) included with the printed material is not billed

1 directly to the recipients of the printed material. "Direct mail" includes any tangible  
2 personal property or items or property under s. 77.52 (1) (b) or (c) provided directly  
3 or indirectly by the purchaser of the printed material to the seller of the printed  
4 material for inclusion in any package containing the printed material, including  
5 billing invoices, return envelopes, and additional marketing materials. "Direct mail"  
6 does not include multiple items of printed material delivered to a single address.

7 **SECTION 2191.** 77.51 (3pe) of the statutes is created to read:

8 77.51 (3pe) "Directory assistance" means an ancillary service that provides  
9 telephone numbers or addresses.

10 **SECTION 2192.** 77.51 (3pf) of the statutes is created to read:

11 77.51 (3pf) "Distinct and identifiable product" does not include any of the  
12 following:

13 (a) Packaging, including containers, boxes, sacks, bags, bottles, and envelopes;  
14 and other materials, including wrapping, labels, tags, and instruction guides; that  
15 accompany, and are incidental or immaterial to, the retail sale of any product.

16 (b) A product that is provided free of charge to the consumer in conjunction with  
17 the purchase of another product, if the sales price of the other product does not vary  
18 depending on whether the product provided free of charge is included in the  
19 transaction.

20 (c) Any items specified under sub. (12m) (a) or (15b) (a).

21 **SECTION 2193.** 77.51 (3pj) of the statutes is created to read:

22 77.51 (3pj) "Drug" means a compound, substance, or preparation, or any  
23 component of them, other than food and food ingredients, dietary supplements, or  
24 alcoholic beverages, to which any of the following applies:

1 (a) It is listed in the United States Pharmacopoeia, Homeopathic  
2 Pharmacopoeia of the United States, or National Formulary, or any supplement to  
3 any of them.

4 (b) It is intended for use in diagnosing, curing, mitigating, treating, or  
5 preventing a disease.

6 (c) It is intended to affect a function or structure of the body.

7 **SECTION 2194.** 77.51 (3pm) of the statutes is created to read:

8 77.51 (3pm) "Durable medical equipment" means equipment, including the  
9 repair parts and replacement parts for the equipment that is primarily and  
10 customarily used for a medical purpose related to a person; that can withstand  
11 repeated use; that is not generally useful to a person who is not ill or injured; and that  
12 is not placed in or worn on the body. "Durable medical equipment" does not include  
13 mobility-enhancing equipment.

14 **SECTION 2195.** 77.51 (3pn) of the statutes is created to read:

15 77.51 (3pn) "Eight hundred service" means a telecommunications service that  
16 allows a caller to dial a toll-free number without incurring a charge for the call and  
17 is marketed under "800," "855," "866," "877," or "888" toll-free calling, or any other  
18 number designated as toll-free by the federal communications commission.

19 **SECTION 2196.** 77.51 (3po) of the statutes is created to read:

20 77.51 (3po) "Electronic" means relating to technology having electrical, digital,  
21 magnetic, wireless, optical, electromagnetic, or similar capabilities.

22 **SECTION 2197.** 77.51 (3pq) of the statutes is created to read:

23 77.51 (3pq) "Finished artwork" means the final art used for actual  
24 reproduction by photomechanical or other processes or for display purposes.

1 "Finished artwork" also includes all of the following items regardless of whether such  
2 items are reproduced:

3 (a) Drawings.

4 (b) Paintings.

5 (c) Designs.

6 (d) Photographs.

7 (e) Lettering.

8 (f) Paste-ups.

9 (g) Mechanicals.

10 (h) Assemblies.

11 (i) Charts.

12 (j) Graphs.

13 (k) Illustrative materials.

14 **SECTION 2198.** 77.51 (3rm) of the statutes is created to read:

15 77.51 (3rm) "Fixed wireless service" means a telecommunications service that  
16 provides radio communication between fixed points.

17 **SECTION 2199.** 77.51 (3t) of the statutes is created to read:

18 77.51 (3t) "Food and food ingredient" means a substance in liquid,  
19 concentrated, solid, frozen, dried, or dehydrated form, that is sold for ingestion, or  
20 for chewing, by humans and that is ingested or chewed for its taste or nutritional  
21 value. "Food and food ingredient" does not include alcoholic beverages or tobacco.

22 **SECTION 2200.** 77.51 (4) of the statutes is repealed.

23 **SECTION 2201.** 77.51 (5) of the statutes is amended to read:

24 77.51 (5) For purposes of subs. (13) (e) and (f) and (14) (L) (15a) and s. 77.52  
25 (2m), "incidental" means depending upon or appertaining to something else as

1 primary; something necessary, appertaining to, or depending upon another which is  
2 termed the principal; something incidental to the main purpose of the service.  
3 Tangible personal property, items or property under s. 77.52 (1) (b) or (c), specified  
4 digital goods, or additional digital goods transferred by a service provider is  
5 incidental to the service if the purchaser's main purpose or objective is to obtain the  
6 service rather than the property, items, or goods, even though the property, items,  
7 or goods may be necessary or essential to providing the service.

8 **SECTION 2202.** 77.51 (5d) of the statutes is created to read:

9 77.51 (5d) "International telecommunications services" means  
10 telecommunications services that originate or terminate in the United States,  
11 including the District of Columbia and any U.S. territory or possession and originate  
12 or terminate outside of the United States, including the District of Columbia and any  
13 U.S. territory or possession.

14 **SECTION 2203.** 77.51 (5n) of the statutes is created to read:

15 77.51 (5n) "Interstate telecommunications services" means  
16 telecommunications services that originate in one state or U.S. territory or  
17 possession and terminate in a different state or U.S. territory or possession.

18 **SECTION 2204.** 77.51 (5r) of the statutes is created to read:

19 77.51 (5r) "Intrastate telecommunications services" means  
20 telecommunications services that originate in one state or U.S. territory or  
21 possession and terminate in the same state or U.S. territory or possession.

22 **SECTION 2205.** 77.51 (6m) of the statutes is renumbered 77.51 (5m).

23 **SECTION 2206.** 77.51 (7) of the statutes is repealed and recreated to read:

1           77.51 (7) (a) "Lease or rental" means any transfer of possession or control of  
2           tangible personal property for a fixed or indeterminate term and for consideration  
3           and includes:

- 4           1. A transfer that includes future options to purchase or extend.
- 5           2. Agreements related to the transfer of possession or control of motor vehicles  
6           or trailers, if the amount of any consideration may be increased or decreased by  
7           reference to the amount realized on the sale or other disposition of such motor  
8           vehicles or trailers, consistent with section 7701 (h) (1) of the Internal Revenue Code.

9           (b) "Lease or rental" does not include any of the following:

- 10          1. A transfer of possession or control of tangible personal property under a  
11          security agreement or deferred payment plan, if such agreement or plan requires  
12          transferring title to the tangible personal property after making all required  
13          payments.

- 14          2. A transfer of possession or control of tangible personal property under any  
15          agreement that requires transferring title to the tangible personal property after  
16          making all required payments and after paying an option price that does not exceed  
17          the greater of \$100 or 1 percent of the total amount of the required payments.

- 18          3. Providing tangible personal property along with an operator, if the operator  
19          is necessary for the tangible personal property to perform in the manner for which  
20          it is designed and if the operator does more than maintain, inspect, or set up the  
21          tangible personal property.

22           (c) 1. Transfers described under par. (a) are considered a lease or rental,  
23           regardless of whether such transfer is considered a lease or rental under generally  
24           accepted accounting principles, or any provision of federal or local law, or any other  
25           provision of state law.

1           2. Transfers described under par. (b) are not considered a lease or rental,  
2 regardless of whether such transfer is considered a lease or rental under generally  
3 accepted accounting principles, or any provision of federal or local law, or any other  
4 provision of state law.

5           **SECTION 2207.** 77.51 (7g) of the statutes is created to read:

6           77.51 (7g) “Load-and-leave” means delivery to a purchaser by using a tangible  
7 storage media that is not physically transferred to the purchaser.

8           **SECTION 2208.** 77.51 (7k) of the statutes is created to read:

9           77.51 (7k) “Mobile wireless service” means a telecommunications service for  
10 which the origination or termination points of the service’s transmission,  
11 conveyance, or routing are not fixed, regardless of the technology used to transmit,  
12 convey, or route the service. “Mobile wireless service” includes a telecommunications  
13 service provided by a commercial mobile radio service provider.

14           **SECTION 2209.** 77.51 (7m) of the statutes is created to read:

15           77.51 (7m) “Mobility-enhancing equipment” means equipment, including the  
16 repair parts and replacement parts for the equipment, that is primarily and  
17 customarily used to provide or increase the ability of a person to move from one place  
18 to another; that may be used in a home or motor vehicle; and that is generally not  
19 used by a person who has normal mobility. “Mobility-enhancing equipment” does  
20 not include a motor vehicle or any equipment on a motor vehicle that is generally  
21 provided by a motor vehicle manufacturer. “Mobility-enhancing equipment” does  
22 not include durable medical equipment.

23           **SECTION 2210.** 77.51 (8m) of the statutes is created to read:

24           77.51 (8m) “Nine hundred service” means an inbound toll telecommunications  
25 service purchased by a subscriber that allows the subscriber’s customers to call the

1 subscriber's prerecorded announcement or live service. "Nine hundred service" does  
2 not include any charge for collection services provided by the seller of the  
3 telecommunications services to the subscriber or for any product or service the  
4 subscriber sells to the subscriber's customers. A "nine hundred service" is  
5 designated with the "900" number or any other number designated by the federal  
6 communications commission.

7 **SECTION 2211.** 77.51 (9) (a) of the statutes is amended to read:

8 77.51 (9) (a) Isolated and sporadic sales of tangible personal property, items or  
9 property under s. 77.52 (1) (b) or (c), specified digital goods, additional digital goods,  
10 or taxable services where the infrequency, in relation to the other circumstances,  
11 including the sales price and the gross profit, support the inference that the seller  
12 is not pursuing a vocation, occupation or business or a partial vocation or occupation  
13 or part-time business as a vendor of personal property, items or property under s.  
14 77.52 (1) (b) or (c), specified digital goods, additional digital goods, or taxable  
15 services. No sale of any tangible personal property, items or property under s. 77.52  
16 (1) (b) or (c), specified digital goods, additional digital goods, or taxable service may  
17 be deemed an occasional sale if at the time of such sale the seller holds or is required  
18 to hold a seller's permit, except that this provision does not apply to an organization  
19 required to hold a seller's permit solely for the purpose of conducting bingo games  
20 and except as provided in par. (am).

21 **SECTION 2212.** 77.51 (9) (am) of the statutes is amended to read:

22 77.51 (9) (am) The sale of personal property, other than inventory held for sale,  
23 previously used by a seller to conduct its trade or business at a location after that  
24 person has ceased actively operating in the regular course of business as a seller of  
25 tangible personal property, items or property under s. 77.52 (1) (b) or (c), specified

1 digital goods, additional digital goods, or taxable services at that location, even  
2 though the seller holds a seller's permit for one or more other locations.

3 **SECTION 2213.** 77.51 (9p) of the statutes is created to read:

4 77.51 (9p) "One nonitemized price" does not include a price that is separately  
5 identified by product on a binding sales document, or other sales-related document,  
6 that is made available to the customer in paper or electronic form, including an  
7 invoice, a bill of sale, a receipt, a contract, a service agreement, a lease agreement,  
8 a periodic notice of rates and services, a rate card, or a price list.

9 **SECTION 2214.** 77.51 (9s) of the statutes is created to read:

10 77.51 (9s) "Paging service" means a telecommunications service that transmits  
11 coded radio signals to activate specific pagers and may include messages or sounds.

12 **SECTION 2215.** 77.51 (10) of the statutes is amended to read:

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

22 **SECTION 2216.** 77.51 (10d) of the statutes is created to read:

23 77.51 (10d) "Prepaid calling service" means the right to exclusively access  
24 telecommunications services, if that right is paid for in advance of providing such  
25 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 2217.** 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.

10 **SECTION 2218.** 77.51 (10m) of the statutes is created to read:

11 77.51 (10m) (a) "Prepared food" means:

- 12 1. Food and food ingredients sold in a heated state.
- 13 2. Food and food ingredients heated by the retailer, except as provided in par.

14 (b).

15 3. Food and food ingredients sold with eating utensils that are provided by the  
16 retailer of the food and food ingredients, including plates, knives, forks, spoons,  
17 glasses, cups, napkins, or straws. In this subdivision, "plate" does not include a  
18 container or packaging used to transport food and food ingredients. For purposes of  
19 this subdivision, a retailer provides utensils if any of the following applies:

20 a. The utensils are available to purchasers and the retailer's sales of prepared  
21 food under subs. 1. and 2., soft drinks, and alcoholic beverages at an establishment  
22 are more than 75 percent of the retailer's total sales at that establishment, as  
23 determined under par. (c).

24 b. For retailers not described under subd. 3. a., the retailer's customary practice  
25 is to physically give or hand the utensils to the purchaser, not including plates,

1 glasses, or cups that are necessary for the purchaser to receive the food and food  
2 ingredients and that the retailer makes available to the purchaser.

3 4. Except as provided in par. (b), 2 or more food ingredients mixed or combined  
4 by a retailer for sale as a single item.

5 (b) "Prepared food" under par. (a) 4. does not include:

6 1. Two or more food ingredients mixed or combined by a retailer for sale as a  
7 single item, if the retailer's primary classification in the 2002 North American  
8 Industry Classification System, published by the federal office of management and  
9 budget, is manufacturing under subsector 311, not including bakeries and tortilla  
10 manufacturing under industry group number 3118.

11 2. Two or more food ingredients mixed or combined by a retailer for sale as a  
12 single item, sold unheated, and sold by volume or weight.

13 3. Bakery items made by a retailer, including breads, rolls, pastries, buns,  
14 biscuits, bagels, croissants, donuts, danish, cakes, tortes, pies, tarts, muffins, bars,  
15 cookies, and tortillas.

16 4. Food and food ingredients that are only sliced, repackaged, or pasteurized  
17 by a retailer.

18 5. Eggs, fish, meat, and poultry, and foods containing any of them in raw form,  
19 that require cooking by the consumer, as recommended by the food and drug  
20 administration in chapter 3, part 401.11 of its food code to prevent food-borne  
21 illnesses.

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

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

4 b. A denominator that includes all food and food ingredients, including  
5 prepared food, candy, dietary supplements, and soft drinks, but not including  
6 alcoholic beverages.

7 2. a. If the percentage determined under subd. 1. is 75 percent or less, utensils  
8 are considered to be provided by the retailer if the retailer's customary practice is to  
9 physically give or hand the utensils to the purchaser or, in the case of plates, bowls,  
10 glasses, or cups that are necessary to receive the food, to make such items available  
11 to the purchaser.

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

15 3. For a retailer whose percentage determined under subd. 1. is greater than  
16 75 percent, an item sold by the retailer that contains 4 or more servings packaged  
17 as 1 item and sold for a single price does not become prepared food simply because  
18 the retailer makes utensils available to the purchaser of the item, but does become  
19 prepared food if the retailer physically gives or hands utensils to the purchaser of the  
20 item. For purposes of this subdivision 3. a., serving sizes are based on the  
21 information contained on the label of each item sold, except that, if the item has no  
22 label, the serving size is based on the retailer's reasonable determination.

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

1           b. Except as provided in subds. 2. and 3., if a retailer sells food items that have  
2           a utensil placed in a package by a person other than the retailer and the person's  
3           primary classification in the 2002 North American Industry Classification System,  
4           published by the federal office of management and budget, is manufacturing under  
5           subsector 311, the utensils are not considered to be provided by the retailer.

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

19          **SECTION 2219.** 77.51 (10n) of the statutes is created to read:

20           77.51 (10n) "Prescription" means an order, formula, or recipe that is issued by  
21           any oral, written, electronic, or other means of transmission and by a person who is  
22           authorized by the laws of this state to issue such an order, formula, or recipe.

23          **SECTION 2220.** 77.51 (10r) of the statutes is created to read:

24           77.51 (10r) "Prewritten computer software" means any of the following:

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

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

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

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

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

15 **SECTION 2221.** 77.51 (10s) of the statutes is created to read:

16 77.51 (10s) "Private communication service" means a telecommunications  
17 service that entitles the customer to exclusive or priority use of a communications  
18 channel or group of communications channels, regardless of the manner in which the  
19 communications channel or group of communications channels is connected, and  
20 includes switching capacity, extension lines, stations, and other associated services  
21 that are provided in connection with the use of such channel or channels.

22 **SECTION 2222.** 77.51 (11d) of the statutes is created to read:

23 77.51 (11d) "Product" includes tangible personal property, items and property  
24 under s. 77.52 (1) (b) and (c), specified digital goods, additional digital goods, and  
25 services.

1           **SECTION 2223.** 77.51 (11m) of the statutes is created to read:

2           **77.51 (11m)** “Prosthetic device” means a device, including the repair parts and  
3           replacement parts for the device, that is placed in or worn on the body to artificially  
4           replace a missing portion of the body; to prevent or correct a physical deformity or  
5           malfunction; or to support a weak or deformed portion of the body.

6           **SECTION 2224.** 77.51 (12) (a) of the statutes is amended to read:

7           **77.51 (12) (a)** Any transfer of title, possession, ownership, enjoyment, or use  
8           by: cash or credit transaction, exchange, barter, lease or rental, conditional or  
9           otherwise, in any manner or by any means whatever of tangible personal property,  
10          items or property under s. 77.52 (1) (b) or (c), specified digital goods, or additional  
11          digital goods for a consideration;

12          **SECTION 2225.** 77.51 (12) (b) of the statutes is amended to read:

13          **77.51 (12) (b)** A transaction whereby the possession of property, items or  
14          property under s. 77.52 (1) (b) or (c), specified digital goods, or additional digital  
15          goods is transferred but the seller retains the title as security for the payment of the  
16          price.

17          **SECTION 2226.** 77.51 (12m) of the statutes is created to read:

18          **77.51 (12m) (a)** “Purchase price” means the total amount of consideration,  
19          including cash, credit, property, and services, for which tangible personal property,  
20          items or property under s. 77.52 (1) (b) or (c), specified digital goods, additional digital  
21          goods, or services are sold, leased, or rented, valued in money, whether paid in money  
22          or otherwise, without any deduction for the following:

23                 1. The seller’s cost of the property, items or property under s. 77.52 (1) (b) or  
24                 (c), specified digital goods, or additional digital goods sold.

1           2. The cost of materials used, labor or service cost, interest, losses, all costs of  
2 transportation to the seller, all taxes imposed on the seller, and any other expense  
3 of the seller.

4           3. Charges by the seller for any services necessary to complete a sale, not  
5 including delivery and installation charges.

6           4. a. Delivery charges, except as provided in par. (b) 4.

7           b. If a shipment includes property, items under s. 77.52 (2) (b) or (c), specified  
8 digital goods, or additional digital goods that are subject to tax under this subchapter  
9 and property, items, or goods that are not subject to tax under this subchapter, the  
10 amount of the delivery charge that the seller allocates to the property, items, or goods  
11 that are subject to tax under this subchapter is based on the total purchase price of  
12 the property, items, or goods that are subject to tax under this subchapter as  
13 compared to the total purchase price of all the property, items, or goods or on the total  
14 weight of the property or items that are subject to tax under this subchapter as  
15 compared to the total weight of all the property or items, except that if the seller does  
16 not make the allocation under this subd. 4. b., the purchaser shall allocate the  
17 delivery charge amount, consistent with this subd. 4. b.

18           5. Installation charges.

19           (b) "Purchase price" does not include:

20           1. Discounts, including cash, terms, or coupons, that are not reimbursed by a  
21 3rd party, except as provided in par. (c); that are allowed by a seller; and that are  
22 taken by a purchaser on a sale.

23           2. Interest, financing, and carrying charges from credit that is extended on a  
24 sale of tangible personal property, items or property under s. 77.52 (1) (b) or (c),  
25 specified digital goods, additional digital goods, or services, if the amount of the

1 interest, financing, or carrying charges is separately stated on the invoice, bill of sale,  
2 or similar document that the seller gives to the purchaser.

3 3. Any taxes legally imposed directly on the purchaser that are separately  
4 stated on the invoice, bill of sale, or similar document that the seller gives to the  
5 purchaser.

6 4. Delivery charges for direct mail.

7 5. In all transactions in which an article of tangible personal property, items  
8 under s. 77.52 (2) (b) or (c), specified digital goods, or additional digital goods are  
9 traded toward the purchase of an article of greater value, the amount of the purchase  
10 price that represents the amount allowed for the article traded, except that this  
11 subdivision does not apply to any transaction to which subd. 7. or 8. applies.

12 6. If a person who purchases a motor vehicle presents a statement issued under  
13 s. 218.0171 (2) (cq) to the seller at the time of purchase, and the person presents the  
14 statement to the seller within 60 days from the date of receiving a refund under s.  
15 218.0171 (2) (b) 2. b., the trade-in amount specified in the statement issued under  
16 s. 218.0171 (2) (cq), but not to exceed the purchase price from the sale of the motor  
17 vehicle. This subdivision applies only to the first motor vehicle purchased by a  
18 person after receiving a refund under s. 218.0171 (2) (b) 2. b.

19 7. Thirty-five percent of the purchase price, excluding trade-ins, of a new  
20 mobile home, as defined in s. 340.01 (29), that is a primary housing unit or of a new  
21 mobile home, as defined in s. 340.01 (29), that is transported in 2 unattached sections  
22 if the total size of the combined sections, not including additions and attachments,  
23 is at least 984 square feet measured when the sections are ready for transport. This  
24 subdivision does not apply to a lease or rental.

1           8. At the retailer's option; except that after the retailer chooses an option the  
2 retailer may not use the other option for other sales without the department's written  
3 approval; either 35 percent of the purchase price of a manufactured building, as  
4 defined in s. 101.71 (6), or an amount equal to the purchase price of the manufactured  
5 building minus the cost of materials that become an ingredient or component part  
6 of the building.

7           (c) "Purchase price" includes consideration received by the seller from a 3rd  
8 party, if:

9           1. The seller actually receives consideration from a 3rd party, other than the  
10 purchaser, and the consideration is directly related to a price reduction or discount  
11 on a sale.

12           2. The seller is obliged to pass the price reduction or discount to the purchaser.

13           3. The amount of the consideration that is attributable to the sale is a fixed  
14 amount and the seller is able to determine that amount at the time of the sale to the  
15 purchaser.

16           4. Any of the following also applies:

17           a. The purchaser presents a coupon, certificate, or other documentation to the  
18 seller to claim the price reduction or discount, if the coupon, certificate, or other  
19 documentation is authorized, distributed, or granted by the 3rd party with the  
20 understanding that the 3rd party will reimburse the seller for the amount of the price  
21 reduction or discount.

22           b. The purchaser identifies himself or herself to the seller as a member of a  
23 group or organization that may claim the price reduction or discount.

1 c. The seller provides an invoice to the purchaser, or the purchaser presents a  
2 coupon, certificate, or other documentation to the seller, that identifies the price  
3 reduction or discount as a 3rd-party price reduction or discount.

4 SECTION 2227. 77.51 (12p) of the statutes is created to read:

5 77.51 (12p) "Purchaser" means a person to whom a sale of tangible personal  
6 property, items or property under s. 77.52 (1) (b) or (c), specified digital goods, or  
7 additional digital goods are made or to whom a service is furnished.

8 SECTION 2228. 77.51 (13) (a) of the statutes is amended to read:

9 77.51 (13) (a) Every seller who makes any sale, regardless of whether the sale  
10 is mercantile in nature, of tangible personal property, items or property under s.  
11 77.52 (1) (b) or (c), specified digital goods, or additional digital goods, or a service  
12 specified under s. 77.52 (2) (a).

13 SECTION 2229. 77.51 (13) (b) of the statutes is amended to read:

14 77.51 (13) (b) Every person engaged in the business of making sales of tangible  
15 personal property, items or property under s. 77.52 (1) (b) or (c), specified digital  
16 goods, or additional digital goods for storage, use or consumption or in the business  
17 of making sales at auction of tangible personal property, items or property under s.  
18 77.52 (1) (b) or (c), specified digital goods, or additional digital goods owned by the  
19 person or others for storage, use or other consumption.

20 SECTION 2230. 77.51 (13) (c) of the statutes is amended to read:

21 77.51 (13) (c) When the department determines that it is necessary for the  
22 efficient administration of this subchapter to regard any salespersons,  
23 representatives, peddlers or canvassers as the agents of the dealers, distributors,  
24 supervisors or employers under whom they operate or from whom they obtain the  
25 tangible personal property, items or property under s. 77.52 (1) (b) or (c), specified

1 digital goods, or additional digital goods sold by them, irrespective of whether they  
2 are making the sales on their own behalf or on behalf of such dealers, distributors,  
3 supervisors or employers, the department may so regard them and may regard the  
4 dealers, distributors, supervisors or employers as retailers for purposes of this  
5 subchapter.

6 **SECTION 2231.** 77.51 (13) (d) of the statutes is amended to read:

7 77.51 (13) (d) Every wholesaler to the extent that the wholesaler sells tangible  
8 personal property, items or property under s. 77.52 (1) (b) or (c), specified digital  
9 goods, or additional digital goods to a person other than a seller as defined in sub.  
10 (17) provided such wholesaler is not expressly exempt from the sales tax on such sale  
11 or from collecting the use tax on such sale.

12 **SECTION 2232.** 77.51 (13) (e) of the statutes is amended to read:

13 77.51 (13) (e) A person selling tangible personal property, items or property  
14 under s. 77.52 (1) (b) or (c), specified digital goods, or additional digital goods to a  
15 service provider who transfers the property, items, or goods in conjunction with the  
16 selling, performing, or furnishing of any service and the property is, items, or goods  
17 are incidental to the service, unless the service provider is selling, performing, or  
18 furnishing services under s. 77.52 (2) (a) 7., 10., 11., and 20. This subsection does not  
19 apply to sub. (2).

20 **SECTION 2233.** 77.51 (13) (f) of the statutes is amended to read:

21 77.51 (13) (f) A service provider who transfers tangible personal property,  
22 items or property under s. 77.52 (1) (b) or (c), specified digital goods, or additional  
23 digital goods in conjunction with but not incidental to the selling, performing or  
24 furnishing of any service and a service provider selling, performing or furnishing

1 services under s. 77.52 (2) (a) 7., 10., 11. and 20. This subsection does not apply to  
2 sub. (2).

3 **SECTION 2234.** 77.51 (13) (k) of the statutes is amended to read:

4 77.51 (13) (k) As respects With regards to a lease, any person deriving rentals  
5 from a lease of tangible personal property, items or property under s. 77.52 (1) (b) or  
6 (c), specified digital goods, or additional digital goods situated in this state.

7 **SECTION 2235.** 77.51 (13) (m) of the statutes is amended to read:

8 77.51 (13) (m) A person selling tangible personal property, items or property  
9 under s. 77.52 (1) (b) or (c), specified digital goods, or additional digital goods to a  
10 veterinarian to be used or furnished by the veterinarian in the performance of  
11 services in some manner related to domestic animals, including pets or poultry.

12 **SECTION 2236.** 77.51 (13) (n) of the statutes is amended to read:

13 77.51 (13) (n) A person selling household furniture, furnishings, equipment,  
14 appliances or other items of tangible personal property, items or property under s.  
15 77.52 (1) (b) or (c), specified digital goods, or additional digital goods to a landlord for  
16 use by tenants in leased or rented living quarters.

17 **SECTION 2237.** 77.51 (13) (o) of the statutes is amended to read:

18 77.51 (13) (o) A person selling ~~medieine~~ drugs for animals to a veterinarian.  
19 As used in this paragraph, "animal" includes livestock, pets and poultry.

20 **SECTION 2238.** 77.51 (13g) (intro.) of the statutes is amended to read:

21 77.51 (13g) (intro.) Except as provided in sub. (13h), "retailer engaged in  
22 business in this state", ~~unless otherwise limited by federal statute~~, for purposes of  
23 the use tax, means any of the following:

24 **SECTION 2238b.** 77.51 (13g) (a) of the statutes is amended to read:

1           77.51 (13g) (a) Any retailer owning any real property in this state or leasing  
2           or renting out any tangible personal property, items or property under s. 77.52 (1) (b)  
3           or (c), specified digital goods, or additional digital goods located in this state or  
4           maintaining, occupying or using, permanently or temporarily, directly or indirectly,  
5           or through a subsidiary, or agent, by whatever name called, an office, place of  
6           distribution, sales or sample room or place, warehouse or storage place or other place  
7           of business in this state.

8           **SECTION 2238d.** 77.51 (13g) (b) of the statutes is amended to read:

9           77.51 (13g) (b) Any retailer having any representative, agent, salesperson,  
10          canvasser or solicitor operating in this state under the authority of the retailer or its  
11          subsidiary for the purpose of selling, delivering or the taking of orders for any  
12          tangible personal property, items or property under s. 77.52 (1) (b) or (c), specified  
13          digital goods, additional digital goods, or taxable services.

14          **SECTION 2239.** 77.51 (13g) (c) of the statutes is created to read:

15          77.51 (13g) (c) Any retailer selling tangible personal property, items or  
16          property under s. 77.52 (1) (b) or (c), specified digital goods, additional digital goods,  
17          or taxable services for storage, use, or other consumption in this state, unless  
18          otherwise limited by federal law.

19          **SECTION 2240.** 77.51 (13r) of the statutes is amended to read:

20          77.51 (13r) Any person purchasing from a retailer as defined in sub. (13) shall  
21          be deemed the consumer of the tangible personal property, items or property under  
22          s. 77.52 (1) (b) or (c), specified digital goods, additional digital goods, or services  
23          purchased.

24          **SECTION 2241.** 77.51 (13rm) of the statutes is created to read:

1 77.51 (13rn) "Retail sale" or "sale at retail" means any sale, lease, or rental  
2 for any purpose other than resale, sublease, or subrent.

3 SECTION 2242. 77.51 (13rn) of the statutes is created to read:

4 77.51 (13rn) "Ringtones" means digitized sound files that are downloaded onto  
5 a device and that may be used to alert the customer with regard to a communication.  
6 "Ringtones" includes MP3 or musical tones, polyphonic tones, and synthetic music  
7 mobile application format tones, but does not include ring-back tones.

8 SECTION 2243. 77.51 (14) (intro.) of the statutes is amended to read:

9 77.51 (14) (intro.) "Sale", "sale, lease or rental", "retail sale", "sale at retail", or  
10 equivalent terms ~~include~~ includes any one or all of the following: the transfer of the  
11 ownership of, title to, possession of, or enjoyment of tangible personal property, items  
12 or property under s. 77.52 (1) (b) or (c), specified digital goods, additional digital  
13 goods, or services for use or consumption but not for resale as tangible personal  
14 property, items or property under s. 77.52 (1) (b) or (c), specified digital goods,  
15 additional digital goods, or services and includes:

16 SECTION 2244. 77.51 (14) (a) of the statutes is amended to read:

17 77.51 (14) (a) Any sale at an auction ~~in~~ with respect to tangible personal  
18 property, items or property under s. 77.52 (1) (b) or (c), specified digital goods, or  
19 additional digital goods which is are sold to a successful bidder. ~~The proceeds from,~~  
20 ~~except the sale of property, items, or goods sold at auction which is~~ are bid in by the  
21 seller and on which title does not pass to a new purchaser ~~shall be deducted from the~~  
22 ~~gross proceeds of the sale and the tax paid only on the net proceeds.~~

23 SECTION 2245. 77.51 (14) (b) of the statutes is amended to read:

24 77.51 (14) (b) The furnishing or distributing of tangible personal property,  
25 items or property under s. 77.52 (1) (b) or (c), specified digital goods, additional digital

1 goods, or taxable services for a consideration by social clubs and fraternal  
2 organizations to their members or others.

3 **SECTION 2246.** 77.51 (14) (c) of the statutes is amended to read:

4 77.51 (14) (c) A transaction whereby the possession of tangible personal  
5 property is, items or property under s. 77.52 (1) (b) or (c), specified digital goods, or  
6 additional digital goods are transferred but the seller retains the title as security for  
7 the payment of the price.

8 **SECTION 2247.** 77.51 (14) (d) of the statutes is repealed.

9 **SECTION 2248.** 77.51 (14) (g) of the statutes is renumbered 77.51 (15a) (b) 4.

10 **SECTION 2249.** 77.51 (14) (h) of the statutes is amended to read:

11 77.51 (14) (h) A transfer for a consideration of the title or possession of tangible  
12 personal property, items or property under s. 77.52 (1) (b) or (c), specified digital  
13 goods, or additional digital goods which has have been produced, fabricated, or  
14 printed to the special order of the customer or of any publication.

15 **SECTION 2250.** 77.51 (14) (i) of the statutes is repealed.

16 **SECTION 2251.** 77.51 (14) (j) of the statutes is amended to read:

17 77.51 (14) (j) The granting of possession of tangible personal property, items  
18 or property under s. 77.52 (1) (b) or (c), specified digital goods, or additional digital  
19 goods by a lessor to a lessee, or to another person at the direction of the lessee. Such  
20 a transaction is deemed a continuing sale in this state ~~by the lessor for the duration~~  
21 ~~of the lease as respects any period of time the leased property is situated in this state,~~  
22 ~~irrespective of the time or place of delivery of the property to the lessee or such other~~  
23 ~~person.~~

24 **SECTION 2252.** 77.51 (14) (k) of the statutes is repealed.

25 **SECTION 2253.** 77.51 (14) (L) of the statutes is repealed.

1           **SECTION 2254.** 77.51 (14g) (a) of the statutes is amended to read:

2           77.51 (14g) (a) The transfer of property, items or property under s. 77.52 (1) (b)  
3           or (c), specified digital goods, or additional digital goods to a corporation upon its  
4           organization solely in consideration for the issuance of its stock;

5           **SECTION 2255.** 77.51 (14g) (b) of the statutes is amended to read:

6           77.51 (14g) (b) The contribution of property, items or property under s. 77.52  
7           (1) (b) or (c), specified digital goods, or additional digital goods to a newly formed  
8           partnership solely in consideration for a partnership interest therein;

9           **SECTION 2256.** 77.51 (14g) (bm) of the statutes is amended to read:

10          77.51 (14g) (bm) The contribution of property, items or property under s. 77.52  
11          (1) (b) or (c), specified digital goods, or additional digital goods to a limited liability  
12          company upon its organization solely in consideration for a membership interest;

13          **SECTION 2257.** 77.51 (14g) (c) of the statutes is amended to read:

14          77.51 (14g) (c) The transfer of property, items or property under s. 77.52 (1) (b)  
15          or (c), specified digital goods, or additional digital goods to a corporation, solely in  
16          consideration for the issuance of its stock, pursuant to a merger or consolidation;

17          **SECTION 2258.** 77.51 (14g) (cm) of the statutes is amended to read:

18          77.51 (14g) (cm) The transfer of property, items or property under s. 77.52 (1)  
19          (b) or (c), specified digital goods, or additional digital goods to a limited liability  
20          company, solely in consideration for a membership interest, pursuant to a merger;

21          **SECTION 2259.** 77.51 (14g) (d) of the statutes is amended to read:

22          77.51 (14g) (d) The distribution of property, items or property under s. 77.52  
23          (1) (b) or (c), specified digital goods, or additional digital goods by a corporation to its  
24          stockholders as a dividend or in whole or partial liquidation;

25          **SECTION 2260.** 77.51 (14g) (e) of the statutes is amended to read:

1           77.51 (14g) (e) The distribution of property, items or property under s. 77.52  
2           (1) (b) or (c), specified digital goods, or additional digital goods by a partnership to  
3           its partners in whole or partial liquidation;

4           **SECTION 2261.** 77.51 (14g) (em) of the statutes is amended to read:

5           77.51 (14g) (em) The distribution of property, items or property under s. 77.52  
6           (1) (b) or (c), specified digital goods, or additional digital goods by a limited liability  
7           company to its members in whole or partial liquidation;

8           **SECTION 2262.** 77.51 (14g) (f) of the statutes is amended to read:

9           77.51 (14g) (f) Repossession of property, items or property under s. 77.52 (1)  
10           (b) or (c), specified digital goods, or additional digital goods by the seller from the  
11           purchaser when the only consideration is cancellation of the purchaser's obligation  
12           to pay the remaining balance of the purchase price;

13           **SECTION 2263.** 77.51 (14g) (g) of the statutes is amended to read:

14           77.51 (14g) (g) The transfer of property, items or property under s. 77.52 (1) (b)  
15           or (c), specified digital goods, or additional digital goods in a reorganization as  
16           defined in section 368 of the internal revenue code in which no gain or loss is  
17           recognized for franchise or income tax purposes; or

18           **SECTION 2264.** 77.51 (14g) (h) of the statutes is amended to read:

19           77.51 (14g) (h) Any transfer of all or substantially all the property, items or  
20           property under s. 77.52 (1) (b) or (c), specified digital goods, or additional digital  
21           goods held or used by a person in the course of an activity requiring the holding of  
22           a seller's permit, if after the transfer the real or ultimate ownership of the property,  
23           items, or goods is substantially similar to that which existed before the transfer. For  
24           the purposes of this section, stockholders, bondholders, partners, members or other  
25           persons holding an interest in a corporation or other entity are regarded as having

1 the real or ultimate ownership of the property, items, or goods of the corporation or  
2 other entity. In this paragraph, “substantially similar” means 80% or more of  
3 ownership.

4 **SECTION 2265.** 77.51 (14r) of the statutes is repealed.

5 **SECTION 2266.** 77.51 (15) of the statutes is repealed.

6 **SECTION 2267.** 77.51 (15a) of the statutes is created to read:

7 77.51 (15a) (a) “Sales, lease, or rental for resale, sublease, or subrent” includes  
8 transfers of tangible personal property, items or property under s. 77.52 (1) (b) or (c),  
9 specified digital goods, or additional digital goods to a service provider that the  
10 service provider transfers in conjunction with but not incidental to the selling,  
11 performing, or furnishing of any service, and transfers of tangible personal property,  
12 items or property under s. 77.52 (1) (b) or (c), specified digital goods, or additional  
13 digital goods to a service provider that the service provider physically transfers in  
14 conjunction with the selling, performing, or furnishing services under s. 77.52 (2) (a)  
15 7., 10., 11., or 20. This paragraph does not apply to sub. (2).

16 (b) “Sales, lease, or rental for resale, sublease, or subrent” does not include any  
17 of the following:

18 1. The sale of building materials, supplies, and equipment to owners,  
19 contractors, subcontractors, or builders for use in real property construction  
20 activities or the alteration, repair, or improvement of real property, regardless of the  
21 quantity of such materials, supplies, and equipment sold.

22 2. Any sale of tangible personal property, items or property under s. 77.52 (1)  
23 (b) or (c), specified digital goods, or additional digital goods to a purchaser even  
24 though such property, items, or goods may be used or consumed by some other person  
25 to whom such purchaser transfers the property, items, or goods without valuable

1 consideration, such as gifts, and advertising specialties distributed at no charge and  
2 apart from the sale of other tangible personal property, items or property under s.  
3 77.52 (1) (b) or (c), specified digital goods, additional digital goods, or service.

4 3. Transfers of tangible personal property, items or property under s. 77.52 (1)  
5 (b) or (c), specified digital goods, or additional digital goods to a service provider that  
6 the service provider transfers in conjunction with the selling, performing, or  
7 furnishing of any service, if the tangible personal property, items or property under  
8 s. 77.52 (1) (b) or (c), specified digital goods, or additional digital goods are incidental  
9 to the service, unless the service provider is selling, performing, or furnishing  
10 services under s. 77.52 (2) (a) 7., 10., 11., or 20.

11 **SECTION 2268.** 77.51 (15b) of the statutes is created to read:

12 77.51 (15b) (a) "Sales price" means the total amount of consideration, including  
13 cash, credit, property, and services, for which tangible personal property, items or  
14 property under s. 77.52 (1) (b) or (c), specified digital goods, additional digital goods,  
15 or services are sold, leased, or rented, valued in money, whether received in money  
16 or otherwise, without any deduction for the following:

17 1. The seller's cost of the property, items or property under s. 77.52 (1) (b) or  
18 (c), specified digital goods, or additional digital goods sold.

19 2. The cost of materials used, labor or service cost, interest, losses, all costs of  
20 transportation to the seller, all taxes imposed on the seller, and any other expense  
21 of the seller.

22 3. Charges by the seller for any services necessary to complete a sale, not  
23 including delivery and installation charges.

24 4. a. Delivery charges, except as provided in par. (b) 4.

1           b. If a shipment includes property, items under s. 77.52 (2) (b) or (c), specified  
2     digital goods, or additional digital goods that are subject to tax under this subchapter  
3     and property, items, or goods that are not subject to tax under this subchapter, the  
4     amount of the delivery charge that the seller allocates to the property, items, or goods  
5     that are subject to tax under this subchapter is based on the total sales price of the  
6     property, items, or goods that are subject to tax under this subchapter as compared  
7     to the total sales price of all the property, items, or goods or on the total weight of the  
8     property or items that are subject to tax under this subchapter as compared to the  
9     total weight of all the property or items, except that if the seller does not make the  
10    allocation under this subd. 4. b., the purchaser shall allocate the delivery charge  
11    amount, consistent with this subd. 4. b.

12           5. Installation charges.

13           (b) "Sales price" does not include:

14           1. Discounts, including cash, terms, or coupons, that are not reimbursed by a  
15    3rd party, except as provided in par. (c); that are allowed by a seller; and that are  
16    taken by a purchaser on a sale.

17           2. Interest, financing, and carrying charges from credit that is extended on a  
18    sale of tangible personal property, items or property under s. 77.52 (1) (b) or (c),  
19    specified digital goods, additional digital goods, or services, if the amount of the  
20    interest, financing, or carrying charges is separately stated on the invoice, bill of sale,  
21    or similar document that the seller gives to the purchaser.

22           3. Any taxes legally imposed directly on the purchaser that are separately  
23    stated on the invoice, bill of sale, or similar document that the seller gives to the  
24    purchaser.

25           4. Delivery charges for direct mail.

1           5. In all transactions in which an article of tangible personal property, items  
2           under s. 77.52 (2) (b) or (c), specified digital goods, or additional digital goods are  
3           traded toward the purchase of an article of greater value, the amount of the sales  
4           price that represents the amount allowed for the article traded, except that this  
5           subdivision does not apply to any transaction to which subd. 7. or 8. applies.

6           6. If a person who purchases a motor vehicle presents a statement issued under  
7           s. 218.0171 (2) (cq) to the seller at the time of purchase, and the person presents the  
8           statement to the seller within 60 days from the date of receiving a refund under s.  
9           218.0171 (2) (b) 2. b., the trade-in amount specified in the statement issued under  
10          s. 218.0171 (2) (cq), but not to exceed the sales price from the sale of the motor vehicle.  
11          This subdivision applies only to the first motor vehicle purchased by a person after  
12          receiving a refund under s. 218.0171 (2) (b) 2. b.

13          7. Thirty-five percent of the sales price, excluding trade-ins, of a new mobile  
14          home, as defined in s. 340.01 (29), that is a primary housing unit or of a new mobile  
15          home, as defined in s. 340.01 (29), that is transported in 2 unattached sections if the  
16          total size of the combined sections, not including additions and attachments, is at  
17          least 984 square feet measured when the sections are ready for transport. This  
18          subdivision does not apply to a lease or rental.

19          8. At the retailer's option; except that after the retailer chooses an option the  
20          retailer may not use the other option for other sales without the department's written  
21          approval; either 35 percent of the sales price of a manufactured building, as defined  
22          in s. 101.71 (6), or an amount equal to the sales price of the manufactured building  
23          minus the cost of materials that become an ingredient or component part of the  
24          building.

1 (c) "Sales price" includes consideration received by the seller from a 3rd party,  
2 if:

3 1. The seller actually receives consideration from a 3rd party, other than the  
4 purchaser, and the consideration is directly related to a price reduction or discount  
5 on a sale.

6 2. The seller is obliged to pass the price reduction or discount to the purchaser.

7 3. The amount of the consideration that is attributable to the sale is a fixed  
8 amount and the seller is able to determine that amount at the time of the sale to the  
9 purchaser.

10 4. Any of the following also applies:

11 a. The purchaser presents a coupon, certificate, or other documentation to the  
12 seller to claim the price reduction or discount, if the coupon, certificate, or other  
13 documentation is authorized, distributed, or granted by the 3rd party with the  
14 understanding that the 3rd party will reimburse the seller for the amount of the price  
15 reduction or discount.

16 b. The purchaser identifies himself or herself to the seller as a member of a  
17 group or organization that may claim the price reduction or discount.

18 c. The seller provides an invoice to the purchaser, or the purchaser presents a  
19 coupon, certificate, or other documentation to the seller, that identifies the price  
20 reduction or discount as a 3rd-party price reduction or discount.

21 **SECTION 2269.** 77.51 (17) of the statutes is amended to read:

22 77.51 (17) "Seller" includes every person selling, leasing, or renting tangible  
23 personal property, items or property under s. 77.52 (1) (b) or (c), specified digital  
24 goods, or additional digital goods or selling, performing, or furnishing services of a

1 kind the ~~gross receipts~~ sales price from the sale, lease, rental, performance, or  
2 furnishing of which is required to be included in the measure of the sales tax.

3 **SECTION 2270.** 77.51 (17m) of the statutes is repealed and recreated to read:

4 **77.51 (17m)** “Service address” means any of the following:

5 (a) The location of the telecommunications equipment to which a customer’s  
6 telecommunications service is charged and from which the telecommunications  
7 service originates or terminates, regardless of where the telecommunications service  
8 is billed or paid.

9 (b) If the location described under par. (a) is not known by the seller who sells  
10 the telecommunications service, the location where the signal of the  
11 telecommunications service originates, as identified by the seller’s  
12 telecommunications system or, if the signal is not transmitted by the seller’s  
13 telecommunications system, by information that the seller received from the seller’s  
14 service provider.

15 (c) If the locations described under pars. (a) and (b) are not known by the seller  
16 who sells the telecommunications service, the customer’s place of primary use.

17 **SECTION 2271.** 77.51 (17w) of the statutes is created to read:

18 **77.51 (17w)** “Soft drink” means a beverage that contains less than 0.5 percent  
19 of alcohol and that contains natural or artificial sweeteners. “Soft drink” does not  
20 include a beverage that contains milk or milk products; soy, rice, or similar milk  
21 substitutes; or more than 50 percent vegetable or fruit juice by volume.

22 **SECTION 2272.** 77.51 (17x) of the statutes is created to read:

23 **77.51 (17x)** “Specified digital goods” means digital audio works, digital  
24 audiovisual works, and digital books. For purposes of this subchapter, the sale of or  
25 the storage, use, or other consumption of a digital code is treated the same as the sale

1 of or the storage, use, or other consumption of any specified digital goods for which  
2 the digital code relates.

3 **SECTION 2273.** 77.51 (18) of the statutes is amended to read:

4 **77.51 (18)** "Storage" includes any keeping or retention in this state of tangible  
5 personal property, items or property under s. 77.52 (1) (b) or (c), specified digital  
6 goods, or additional digital goods purchased from a retailer for any purpose except  
7 sale in the regular course of business.

8 **SECTION 2274.** 77.51 (20) of the statutes is amended to read:

9 **77.51 (20)** "Tangible personal property" means all tangible personal property  
10 of every kind and description that can be seen, weighed, measured, felt, or touched,  
11 or that is in any other manner perceptible to the senses, and includes electricity,  
12 natural gas, steam and, water, and also leased property affixed to realty if the lessor  
13 has the right to remove the property upon breach or termination of the lease  
14 agreement, unless the lessor of the property is also the lessor of the realty to which  
15 the property is affixed. "Tangible personal property" also includes coins and stamps  
16 of the United States sold or traded as collectors' items above their face value and  
17 computer programs except custom computer programs prewritten computer  
18 software, but does not include items or property under s. 77.52 (1) (b) or (c), specified  
19 digital goods, or additional digital goods.

20 **SECTION 2275.** 77.51 (21) of the statutes is amended to read:

21 **77.51 (21)** "Taxpayer" means the person who is required to pay, collect, or  
22 account for or who is otherwise directly interested in the taxes imposed by this  
23 subchapter, including a certified service provider.

24 **SECTION 2276.** 77.51 (21m) of the statutes is amended to read:

1           **77.51 (21m)** “Telecommunications and Internet access services” means  
2       sending messages and information transmitted through the use of local, toll and  
3       wide-area telephone service; channel services; telegraph services; teletypewriter;  
4       computer exchange services; cellular mobile telecommunications service; specialized  
5       mobile radio; stationary two-way radio; paging service; or any other form of mobile  
6       and portable one-way or two-way communications; or any other transmission of  
7       messages or information by electronic or similar means between or among points by  
8       wire, cable, fiber optics, laser, microwave, radio, satellite or similar facilities.  
9       “Telecommunications services” does not include sending collect telecommunications  
10      that are received outside of the state.

11           **SECTION 2276m.** 77.51 (21m) of the statutes, as affected by 2007 Wisconsin Act  
12      ... (this act), is renumbered 77.51 (5g) and amended to read:

13           **77.51 (5g)** “Telecommunications and Internet access services” means sending  
14      messages and information transmitted through the use of local, toll and wide-area  
15      telephone service; channel services; telegraph services; teletypewriter; computer  
16      exchange services; cellular mobile telecommunications service; specialized mobile  
17      radio; stationary two-way radio; paging service; or any other form of mobile and  
18      portable one-way or two-way communications; or any other transmission of  
19      messages or information by electronic or similar means between or among points by  
20      wire, cable, fiber optics, laser, microwave, radio, satellite or similar facilities.  
21      “Telecommunications services” does not include sending collect telecommunications  
22      that are received outside of the state. “Internet access services” does not include  
23      telecommunications services to the extent that such services are taxable under s.  
24      77.52 (2) (a) 5. am.

25           **SECTION 2277.** 77.51 (21n) of the statutes is created to read:

1           77.51 (21n) "Telecommunications services" means electronically transmitting,  
2           conveying, or routing voice, data, audio, video, or other information or signals to a  
3           point or between or among points. "Telecommunications services" includes the  
4           transmission, conveyance, or routing of such information or signals in which  
5           computer processing applications are used to act on the content's form, code, or  
6           protocol for transmission, conveyance, or routing purposes, regardless of whether  
7           the service is referred to as a voice over Internet protocol service or classified by the  
8           federal communications commission as an enhanced or value-added service.

9           "Telecommunications services" does not include any of the following:

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

14           (b) Installing or maintaining wiring or equipment on a customer's premises.

15           (c) Tangible personal property.

16           (d) Advertising, including directory advertising.

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

18           (f) Internet access service.

19           (g) Radio and television audio and video programming services, regardless of  
20           the medium in which the services are provided, including cable service, as defined  
21           in 47 USC 522 (6), audio and video programming services delivered by commercial  
22           mobile radio service providers, as defined in 47 CFR 20.3, and the transmitting,  
23           conveying, or routing of such services by the programming service provider.

24           (h) Ancillary services.

1 (i) Digital products delivered electronically, including software, music, video,  
2 reading materials, or ringtones.

3 SECTION 2278. 77.51 (21p) of the statutes is created to read:

4 77.51 (21p) "Tobacco" means cigarettes, cigars, chewing tobacco, pipe tobacco,  
5 and any other item that contains tobacco.

6 SECTION 2279. 77.51 (21q) of the statutes is created to read:

7 77.51 (21q) "Transferred electronically" means accessed or obtained by the  
8 purchaser by means other than tangible storage media.

9 SECTION 2280. 77.51 (22) (a) of the statutes is amended to read:

10 77.51 (22) (a) "Use" includes the exercise of any right or power over tangible  
11 personal property, items or property under s. 77.52 (1) (b) or (c), specified digital  
12 goods, additional digital goods, or taxable services incident to the ownership,  
13 possession or enjoyment of the property, goods, or services, or the results produced  
14 by the services, including installation or affixation to real property and including the  
15 possession of, or the exercise of any right or power over tangible personal property,  
16 items or property under s. 77.52 (1) (b) or (c), specified digital goods, or additional  
17 digital goods by a lessee under a lease, except that "use" does not include the  
18 activities under sub. (18).

19 SECTION 2281. 77.51 (22) (b) of the statutes is amended to read:

20 77.51 (22) (b) In this subsection "enjoyment" includes a purchaser's right to  
21 direct the disposition of property, items or property under s. 77.52 (1) (b) or (c),  
22 specified digital goods, or additional digital goods, whether or not the purchaser has  
23 possession of the property, items, or goods. "Enjoyment" also includes, but is not  
24 limited to, having shipped into this state by an out-of-state supplier printed  
25 material which is designed to promote the sale of property, items or property under

1 s. 77.52 (1) (b) or (c), specified digital goods, additional digital goods, or services, or  
2 which is otherwise related to the business activities, of the purchaser of the printed  
3 material or printing service.

4 **SECTION 2282.** 77.51 (22) (bm) of the statutes is created to read:

5 77.51 (22) (bm) In this subsection, “exercise of any right or power over tangible  
6 personal property, items or property under s. 77.52 (1) (b) or (c), specified digital  
7 goods, additional digital goods, or taxable services” includes distributing, selecting  
8 recipients, determining mailing schedules, or otherwise directing the distribution,  
9 dissemination, or disposal of tangible personal property, items or property under s.  
10 77.52 (1) (b) or (c), specified digital goods, additional digital goods, or taxable  
11 services, regardless of whether the purchaser of such property, items, goods, or  
12 services owns or physically possesses, in this state, the property, items, goods, or  
13 services.

14 **SECTION 2283.** 77.51 (24) of the statutes is created to read:

15 77.51 (24) “Value-added non-voice data service” means a service in which  
16 computer processing applications are used to act on the form, content, code, or  
17 protocol of the data provided by the service and are used primarily for a purpose other  
18 than for transmitting, conveying, or routing data.

19 **SECTION 2284.** 77.51 (25) of the statutes is created to read:

20 77.51 (25) “Vertical service” means an ancillary service that is provided with  
21 one or more telecommunications services and allows customers to identify callers  
22 and to manage multiple calls and call connections, including conference bridging  
23 services.

24 **SECTION 2285.** 77.51 (26) of the statutes is created to read:

1           77.51 (26) “Voice mail service” means an ancillary service that allows a  
2 customer to store, send, or receive recorded messages, not including any vertical  
3 service that the customer must have to use the voice mail service.

4           **SECTION 2286.** 77.52 (1) of the statutes is renumbered 77.52 (1) (a) and  
5 amended to read:

6           77.52 (1) (a) For the privilege of selling, licensing, leasing or renting tangible  
7 personal property, including accessories, components, attachments, parts, supplies  
8 and materials, at retail a tax is imposed upon all retailers at the rate of 5% of the  
9 gross receipts sales price from the sale, license, lease or rental of tangible personal  
10 property, including accessories, components, attachments, parts, supplies and  
11 materials, sold, leased or rented at retail in this state, as determined under s. 77.522.

12           **SECTION 2287.** 77.52 (1) (b) of the statutes is created to read:

13           77.52 (1) (b) For the privilege of selling at retail coins and stamps of the United  
14 States that are sold or traded as collectors’ items above their face value, a tax is  
15 imposed on all retailers at the rate of 5 percent of the sales price from the sale of such  
16 coins and stamps.

17           **SECTION 2288.** 77.52 (1) (c) of the statutes is created to read:

18           77.52 (1) (c) For the privilege of leasing property that is affixed to real property,  
19 a tax is imposed on all retailers at the rate of 5 percent of the sales price from the lease  
20 of such property, if the lessor has the right to remove the leased property upon breach  
21 or termination of the lease agreement, unless the lessor of the leased property is also  
22 the lessor of the real property to which the leased property is affixed.

23           **SECTION 2289.** 77.52 (1) (d) of the statutes is created to read:

24           77.52 (1) (d) For the privilege of selling, licensing, leasing, or renting specified  
25 digital goods or additional digital goods at retail, regardless of whether the

1 purchaser has the right to permanently use such goods or whether the purchaser's  
2 right to access or retain such goods is not permanent, a tax is imposed upon all  
3 retailers at the rate of 5 percent of the sales price from the sale, license, lease or rental  
4 of such goods.

5 **SECTION 2290.** 77.52 (2) (intro.) of the statutes is amended to read:

6 77.52 (2) (intro.) For the privilege of selling, licensing, performing or furnishing  
7 the services described under par. (a) at retail in this state, as determined under s.  
8 77.522, to consumers or users, a tax is imposed upon all persons selling, licensing,  
9 performing or furnishing the services at the rate of 5% of the gross receipts sales price  
10 from the sale, license, performance or furnishing of the services.

11 **SECTION 2290m.** 77.52 (2) (a) 2. a. of the statutes is amended to read:

12 77.52 (2) (a) 2. a. Except as provided in subd. 2. b. and c., the sale of admissions  
13 to amusement, athletic, entertainment or recreational events or places except county  
14 fairs, the sale, rental or use of regular bingo cards, extra regular cards, special bingo  
15 cards and the sale of bingo supplies to players and the furnishing, for dues, fees or  
16 other considerations, the privilege of access to clubs or the privilege of having access  
17 to or the use of amusement, entertainment, athletic or recreational devices or  
18 facilities, including the sale or furnishing of use of recreational facilities on a periodic  
19 basis or other recreational rights, including but not limited to membership rights,  
20 vacation services and club memberships.

21 **SECTION 2290n.** 77.52 (2) (a) 2. c. of the statutes is created to read:

22 77.52 (2) (a) 2. c. Taxable sales do not include the sale of admissions to  
23 performances and events produced by a nonprofit cultural arts organization,  
24 including events produced by the organization's affiliates or agents. In order to claim  
25 the exemption under this subd. 2. c., an organization must create, develop, and put

1 on a public performance of the performance or event. This subd. 2. c. does not apply  
2 to the sale of admissions to performances and events for which the nonprofit cultural  
3 arts organization sponsors, but does not produce, the performance or event.

4 **SECTION 2291b.** 77.52 (2) (a) 5. a. of the statutes is amended to read:

5 77.52 (2) (a) 5. a. The sale of telecommunications and Internet access services,  
6 except services subject to 4 USC 116 to 126, as amended by P.L. 106-252, that either  
7 originate or terminate in this state; except services that are obtained by means of a  
8 toll-free number, that originate outside this state and that terminate in this state;  
9 and are charged to a service address in this state, regardless of the location where  
10 that charge is billed or paid; and the sale of the rights to purchase  
11 telecommunications services, including purchasing reauthorization numbers, by  
12 paying in advance and by using an access number and authorization code, except  
13 sales that are subject to subd. 5. b.

14 **SECTION 2291c.** 77.52 (2) (a) 5. a. of the statutes, as affected by 2007 Wisconsin  
15 Act ... (this act), is amended to read:

16 77.52 (2) (a) 5. a. The sale of telecommunications and Internet access services,  
17 except services subject to 4 USC 116 to 126, as amended by P.L. 106-252, that either  
18 originate or terminate in this state; except services that are obtained by means of a  
19 toll-free number, that originate outside this state and that terminate in this state;  
20 and are charged to a service address in this state, regardless of the location where  
21 that charge is billed or paid; and the sale of the rights to purchase  
22 telecommunications services, including purchasing reauthorization numbers, by  
23 paying in advance and by using an access number and authorization code, except  
24 sales that are subject to subd. 5. b.

25 **SECTION 2291p.** 77.52 (2) (a) 5. am. of the statutes is created to read:

1           77.52 (2) (a) 5. am. The sale of intrastate, interstate, and international  
2   telecommunications services, except interstate 800 services.

3           **SECTION 2292.** 77.52 (2) (a) 5. b. of the statutes is repealed.

4           **SECTION 2294.** 77.52 (2) (a) 5. c. of the statutes is created to read:

5           77.52 (2) (a) 5. c. The sale of ancillary services, except detailed  
6   telecommunications billing services.

7           **SECTION 2295.** 77.52 (2) (a) 5m. of the statutes is amended to read:

8           77.52 (2) (a) 5m. The sale of services that consist of recording  
9   telecommunications messages and transmitting them to the purchaser of the service  
10   or at that purchaser's direction, but not including those services if they are merely  
11   an that are taxable under subd. 5. or services that are incidental, as defined in s.  
12   77.51 (5), element of to another service that is not taxable under this subchapter and  
13   sold to that the purchaser of the incidental service and is not taxable under this  
14   subchapter.

15           **SECTION 2296.** 77.52 (2) (a) 10. of the statutes is amended to read:

16           77.52 (2) (a) 10. Except for services provided by veterinarians and except for  
17   installing or applying tangible personal property that, subject to par. (ag), when  
18   installed or applied, will constitute an addition or capital improvement of real  
19   property, the repair, service, alteration, fitting, cleaning, painting, coating, towing,  
20   inspection, and maintenance of all items of tangible personal property, items and  
21   property under sub. (1) (b) and (c), specified digital goods, and additional digital  
22   goods, unless, at the time of that the repair, service, alteration, fitting, cleaning,  
23   painting, coating, towing, inspection, or maintenance, a sale in this state of the type  
24   of property, items, or goods repaired, serviced, altered, fitted, cleaned, painted,  
25   coated, towed, inspected, or maintained would have been exempt to the customer

1 from sales taxation under this subchapter, other than the exempt sale of a motor  
2 vehicle or truck body to a nonresident under s. 77.54 (5) (a) and other than  
3 nontaxable sales under s. ~~77.51 (14r)~~ juvenile 77.522 or unless the repair, service,  
4 alteration, fitting, cleaning, painting, coating, towing, inspection, or maintenance is  
5 provided under a contract that is subject to tax under subd. 13m. The tax imposed  
6 under this subsection applies to the repair, service, alteration, fitting, cleaning,  
7 painting, coating, towing, inspection, or maintenance of items listed in par. (ag),  
8 regardless of whether the installation or application of tangible personal property,  
9 items or property under sub. (1) (b) or (c), specified digital goods, or additional digital  
10 goods related to the items is an addition to or a capital improvement of real property,  
11 except that the tax imposed under this subsection does not apply to the original  
12 installation or the complete replacement of an item listed in par. (ag), if that the  
13 installation or replacement is a real property construction activity under s. 77.51 (2).

14 **SECTION 2297m.** 77.52 (2) (a) 11. of the statutes is amended to read:

15 77.52 (2) (a) 11. The producing, fabricating, processing, printing or imprinting  
16 of tangible personal property, items and property under sub. (1) (b) and (c), specified  
17 digital goods, and additional digital goods for a consideration for consumers who  
18 furnish directly or indirectly the materials used in the producing, fabricating,  
19 processing, printing or imprinting. This subdivision does not apply to the printing  
20 or imprinting of tangible personal property, items and property under sub. (1) (b) and  
21 (c), specified digital goods, and additional digital goods which will be subsequently  
22 transported outside the state for use outside the state by the consumer for  
23 advertising purposes.

24 **SECTION 2297p.** 77.52 (2) (a) 11. of the statutes, as affected by 2007 Wisconsin  
25 Act .... (this act), is repealed and recreated to read: