



# State of Wisconsin

## LEGISLATIVE REFERENCE BUREAU

1 EAST MAIN, SUITE 200  
P. O. BOX 2037  
MADISON, WI 53701-2037

LEGAL SECTION: (608) 266-3561  
REFERENCE SECTION: (608) 266-0341  
FAX: (608) 264-6948

STEPHEN R. MILLER  
CHIEF

February 19, 2008

## MEMORANDUM

**To:** Senator Wirch

**From:** Joseph T. Kreye, Sr. Legislative Attorney, (608) 266-2263

Aaron Gary, Legislative Attorney, (608) 261-6926

**Subject:** Technical Memorandum to **2007 SB 485** (LRB-3981/2) by **DOR**

---

We received the attached technical memorandum relating to your bill. This copy is for your information and your file.

If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact us.

## MEMORANDUM

February 13, 2008

**TO:** Aaron Gary and Joseph Kreye  
Legislative Reference Bureau

**FROM:** Paul Ziegler  
Department of Revenue

**SUBJECT:** Technical Memorandum on SB 485 – Wine production and distribution

The Department of Revenue has several concerns regarding the bill:

1. The bill requires direct shippers of wine to report a variety of sales information to DOR, including the name, address and birthday of each person who purchases wine. Because the bill repeals current law confidentiality provisions, this information would be open to inspection through the open records law. If the authors would like to provide some protection for this personal information, the following addition would allow DOR to report aggregate information, but keep individual names and financial/sales data confidential:

*The department shall keep confidential, in the same manner required for tax returns under s. 71.78(1), and (5) to (8), reports submitted under this subsection.*

2. The bill requires a cooperative wholesaler to file an annual report every February 15. It may be more beneficial to allow the due date to be determined by rule to ensure that adequate information is available for permit renewals.
3. The bill requires DOR to publish monthly reports containing statistics on the total number of gallons of the types and brands of intoxicating liquor sold in Wisconsin. Tax information is currently reported based on liters rather than gallons. The bill should be amended to refer to liters. See section 44 of the bill. In lieu of the specific publication requirements in this section, the author may consider allowing the determination of what data to publish to be made by rule.
4. Section 3, page 6, lines 16-20 can be deleted from the bill. This section refers to purchases that are for non-retail sale. These transactions are not subject to Wisconsin sales or use tax under current law.
5. The bill provides the Department of Revenue with 1.0 FTE position and \$7,700 of additional expenditure authority in FY09. The department anticipates, however, that its costs to administer the bill will be \$52,400 in FY09. On an on-going basis the department estimates costs of \$96,800 annually to administer the bill. If the author wishes to provide additional funding, section 48 of the bill could be amended.

If you have any questions regarding this technical memorandum, please contact Jacek Cianciara at 608 266-8133.

cc: Sen. Wirch