

1 **SECTION 9fk.** 77.51 (5r) of the statutes is created to read:

2 77.51 **(5r)** “Intrastate telecommunications services” means
3 telecommunications services that originate in one state or U.S. territory or
4 possession and terminate in the same state or U.S. territory or possession.

5 **SECTION 9fm.** 77.51 (6m) of the statutes is renumbered 77.51 (5m).

6 **SECTION 9fn.** 77.51 (7) of the statutes is repealed and recreated to read:

7 77.51 **(7)** (a) “Lease or rental” means any transfer of possession or control of
8 tangible personal property or items or property under s. 77.52 (1) (b) or (c) for a fixed
9 or indeterminate term and for consideration and includes:

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

15 (b) “Lease or rental” does not include any of the following:

- 16 1. A transfer of possession or control of tangible personal property or items or
17 property under s. 77.52 (1) (b) or (c) under a security agreement or deferred payment
18 plan, if such agreement or plan requires transferring title to the tangible personal
19 property or items or property under s. 77.52 (1) (b) or (c) after making all required
20 payments.

- 21 2. A transfer of possession or control of tangible personal property or items or
22 property under s. 77.52 (1) (b) or (c) under any agreement that requires transferring
23 title to the tangible personal property or items or property under s. 77.52 (1) (b) or
24 (c) after making all required payments and after paying an option price that does not
25 exceed the greater of \$100 or 1 percent of the total amount of the required payments.

1 3. Providing tangible personal property or items or property under s. 77.52 (1)
2 (b) or (c) along with an operator, if the operator is necessary for the tangible personal
3 property or items or property under s. 77.52 (1) (b) or (c) to perform in the manner
4 for which it is designed and if the operator does more than maintain, inspect, or set
5 up the tangible personal property or items or property under s. 77.52 (1) (b) or (c).

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

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

14 **SECTION 9fo.** 77.51 (7g) of the statutes is created to read:

15 77.51 (7g) "Load-and-leave" means delivery to a purchaser by using a tangible
16 storage media that is not physically transferred to the purchaser.

17 **SECTION 9fp.** 77.51 (7k) of the statutes is created to read:

18 77.51 (7k) "Mobile wireless service" means a telecommunications service for
19 which the origination or termination points of the service's transmission,
20 conveyance, or routing are not fixed, regardless of the technology used to transmit,
21 convey, or route the service. "Mobile wireless service" includes a telecommunications
22 service provided by a commercial mobile radio service provider.

23 **SECTION 9fq.** 77.51 (7m) of the statutes is created to read:

24 77.51 (7m) "Mobility-enhancing equipment" means equipment, including the
25 repair parts and replacement parts for the equipment, that is primarily and

1 customarily used to provide or increase the ability of a person to move from one place
2 to another; that may be used in a home or motor vehicle; and that is generally not
3 used by a person who has normal mobility. "Mobility-enhancing equipment" does
4 not include a motor vehicle or any equipment on a motor vehicle that is generally
5 provided by a motor vehicle manufacturer. "Mobility-enhancing equipment" does
6 not include durable medical equipment.

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

8 77.51 (8m) "Nine hundred service" means an inbound toll telecommunications
9 service purchased by a subscriber that allows the subscriber's customers to call the
10 subscriber's prerecorded announcement or live service. "Nine hundred service" does
11 not include any charge for collection services provided by the seller of the
12 telecommunications services to the subscriber or for any product or service the
13 subscriber sells to the subscriber's customers. A "nine hundred service" is
14 designated with the "900" number or any other number designated by the federal
15 communications commission.

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

17 77.51 (9) (a) Isolated and sporadic sales of tangible personal property, items or
18 property under s. 77.52 (1) (b) or (c), or taxable services where the infrequency, in
19 relation to the other circumstances, including the sales price and the gross profit,
20 support the inference that the seller is not pursuing a vocation, occupation or
21 business or a partial vocation or occupation or part-time business as a vendor of
22 personal property, items or property under s. 77.52 (1) (b) or (c), or taxable services.
23 No sale of any tangible personal property, items or property under s. 77.52 (1) (b) or
24 (c), or taxable service may be deemed an occasional sale if at the time of such sale the
25 seller holds or is required to hold a seller's permit, except that this provision does not

1 apply to an organization required to hold a seller's permit solely for the purpose of
2 conducting bingo games and except as provided in par. (am).

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

4 77.51 (9) (am) The sale of personal property, other than inventory held for sale,
5 previously used by a seller to conduct its trade or business at a location after that
6 person has ceased actively operating in the regular course of business as a seller of
7 tangible personal property, items or property under s. 77.52 (1) (b) or (c), or taxable
8 services at that location, even though the seller holds a seller's permit for one or more
9 other locations.

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

11 77.51 (9p) "One nonitemized price" does not include a price that is separately
12 identified by product on a binding sales document, or other sales-related document,
13 that is made available to the customer in paper or electronic form, including an
14 invoice, a bill of sale, a receipt, a contract, a service agreement, a lease agreement,
15 a periodic notice of rates and services, a rate card, or a price list.

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

17 77.51 (9s) "Paging service" means a telecommunications service that transmits
18 coded radio signals to activate specific pagers and may include messages or sounds.

19 **SECTION 9gb.** 77.51 (10) of the statutes is amended to read:

20 77.51 (10) "Person" includes any natural person, firm, partnership, limited
21 liability company, joint venture, joint stock company, association, public or private
22 corporation, the United States, the state, including any unit or division of the state,
23 any county, city, village, town, municipal utility, municipal power district or other
24 governmental unit, cooperative, unincorporated cooperative association, estate,
25 trust, receiver, personal representative, any other fiduciary, any other legal entity,

1 and any representative appointed by order of any court or otherwise acting on behalf
2 of others. "Person" also includes the owner of a single-owner entity that is
3 disregarded as a separate entity under ch. 71.

4 **SECTION 9gc.** 77.51 (10d) of the statutes is created to read:

5 77.51 (10d) "Prepaid calling service" means the right to exclusively access
6 telecommunications services, if that right is paid for in advance of providing such
7 services, requires using an access number or authorization code to originate calls,
8 and is sold in predetermined units or dollars that decrease with use in a known
9 amount.

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

11 77.51 (10f) "Prepaid wireless calling service" means a telecommunications
12 service that provides the right to utilize mobile wireless service as well as other
13 nontelecommunications services, including the download of digital products
14 delivered electronically, content, and ancillary services, and that is paid for prior to
15 use and sold in predetermined dollar units whereby the number of units declines
16 with use in a known amount.

17 **SECTION 9ge.** 77.51 (10m) of the statutes is created to read:

18 77.51 (10m) (a) "Prepared food" means:

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

21 (b).

22 3. Food and food ingredients sold with eating utensils that are provided by the
23 retailer of the food and food ingredients, including plates, knives, forks, spoons,
24 glasses, cups, napkins, or straws. In this subdivision, "plate" does not include a

1 container or packaging used to transport food and food ingredients. For purposes of
2 this subdivision, a retailer provides utensils if any of the following applies:

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

7 b. For retailers not described under subd. 3. a., the retailer's customary practice
8 is to physically give or hand the utensils to the purchaser, not including plates,
9 glasses, or cups that are necessary for the purchaser to receive the food and food
10 ingredients and that the retailer makes available to the purchaser.

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

13 (b) "Prepared food" does not include:

14 1. For purposes of par. (a) 2. and 4., 2 or more food ingredients mixed or
15 combined by a retailer for sale as a single item, if the retailer's primary classification
16 in the 2002 North American Industry Classification System, published by the federal
17 office of management and budget, is manufacturing under subsector 311, not
18 including bakeries and tortilla manufacturing under industry group number 3118.

19 2. For purposes of par. (a) 2. and 4., 2 or more food ingredients mixed or
20 combined by a retailer for sale as a single item, sold unheated, and sold by volume
21 or weight.

22 3. For purposes of par. (a) 2. and 4., bakery items made by a retailer, including
23 breads, rolls, pastries, buns, biscuits, bagels, croissants, donuts, danish, cakes,
24 tortes, pies, tarts, muffins, bars, cookies, and tortillas.

1 4. For purposes of par. (a) 4., food and food ingredients that are only sliced,
2 repackaged, or pasteurized by a retailer.

3 5. For purposes of par. (a) 4., eggs, fish, meat, and poultry, and foods containing
4 any of them in raw form, that require cooking by the consumer, as recommended by
5 the food and drug administration in chapter 3, part 401.11 of its food code to prevent
6 food-borne illnesses.

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

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

12 b. A denominator that includes all food and food ingredients, including
13 prepared food, candy, dietary supplements, and soft drinks, but not including
14 alcoholic beverages.

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

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

23 3. For a retailer whose percentage determined under subd. 1. is greater than
24 75 percent, an item sold by the retailer that contains 4 or more servings packaged
25 as 1 item and sold for a single price does not become prepared food simply because

1 the retailer makes utensils available to the purchaser of the item, but does become
2 prepared food if the retailer physically gives or hands utensils to the purchaser of the
3 item. For purposes of this subdivision 3. a., serving sizes are based on the
4 information contained on the label of each item sold, except that, if the item has no
5 label, the serving size is based on the retailer's reasonable determination.

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

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

14 5. For purposes of par. (a) 3., a retailer shall determine the percentage for the
15 retailer's tax year or business fiscal year, based on the retailer's data from the
16 retailer's prior tax year or business fiscal year, as soon as practical after the retailer's
17 accounting records are available, but not later than 90 days after the day on which
18 the retailer's tax year or business fiscal year begins. For retailer's with more than
19 one establishment in this state, a single determination under subd. 1. that combines
20 the information for all of the retailer's establishments in this state shall be made
21 annually, as provided in this subdivision, and apply to each of the retailer's
22 establishments in this state. A retailer that has no prior tax year or business fiscal
23 year shall make a good faith estimate of its percentage for purposes of par. (a) 3. for
24 the retailer's first tax year or business fiscal year and shall adjust the estimate

1 prospectively after the first 3 months of the retailer's operations if the actual
2 percentage is materially different from the estimated percentage.

3 **SECTION 9gf.** 77.51 (10n) of the statutes is created to read:

4 77.51 (10n) "Prescription" means an order, formula, or recipe that is issued by
5 any oral, written, electronic, or other means of transmission and by a person who is
6 authorized by the laws of this state to issue such an order, formula, or recipe.

7 **SECTION 9gg.** 77.51 (10r) of the statutes is created to read:

8 77.51 (10r) "Prewritten computer software" means any of the following:

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

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

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

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

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

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

24 77.51 (10s) "Private communication service" means a telecommunications
25 service that entitles the customer to exclusive or priority use of a communications

1 channel or group of communications channels, regardless of the manner in which the
2 communications channel or group of communications channels is connected, and
3 includes switching capacity, extension lines, stations, and other associated services
4 that are provided in connection with the use of such channel or channels.

5 **SECTION 9gi.** 77.51 (11d) of the statutes is created to read:

6 77.51 (11d) "Product" includes tangible personal property, items or property
7 under s. 77.52 (1) (b) and (c), and services.

8 **SECTION 9gj.** 77.51 (11m) of the statutes is created to read:

9 77.51 (11m) "Prosthetic device" means a device, including the repair parts and
10 replacement parts for the device, that is placed in or worn on the body to artificially
11 replace a missing portion of the body; to prevent or correct a physical deformity or
12 malfunction; or to support a weak or deformed portion of the body.

13 **SECTION 9gk.** 77.51 (12) (a) of the statutes, as affected by 2007 Wisconsin Act
14 20, is repealed and recreated to read:

15 77.51 (12) (a) Any transfer of title, possession, ownership, enjoyment, or use
16 by: cash or credit transaction, exchange, barter, lease or rental, conditional or
17 otherwise, in any manner or by any means whatever of tangible personal property
18 or items or property under s. 77.52 (1) (b) or (c) for a consideration, including any
19 transaction for which a person's books and records show the transaction created,
20 with regard to the transferee, an obligation to pay a certain amount of money or an
21 increase in accounts payable or, with regard to the transferor, a right to receive a
22 certain amount of money or an increase in accounts receivable;

23 **SECTION 9gL.** 77.51 (12) (b) of the statutes is amended to read:

1 77.51 (12) (b) A transaction whereby the possession of property or items or
2 property under s. 77.52 (1) (b) or (c) is transferred but the seller retains the title as
3 security for the payment of the price.

4 **SECTION 9gm.** 77.51 (12m) of the statutes is created to read:

5 77.51 (12m) (a) "Purchase price" means the total amount of consideration,
6 including cash, credit, property, and services, for which tangible personal property,
7 items or property under s. 77.52 (1) (b) or (c), or services are sold, leased, or rented,
8 valued in money, whether paid in money or otherwise, without any deduction for the
9 following:

10 1. The seller's cost of the property or items or property under s. 77.52 (1) (b) or
11 (c) sold.

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

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

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

18 b. If a shipment includes property or items that are subject to tax under this
19 subchapter and property or items that are not subject to tax under this subchapter,
20 the amount of the delivery charge that the seller allocates to the property or items
21 that are subject to tax under this subchapter is based either on the total purchase
22 price of the property or items that are subject to tax under this subchapter as
23 compared to the total purchase price of all the property or items or on the total weight
24 of the property or items that are subject to tax under this subchapter as compared
25 to the total weight of all the property or items, except that if the seller does not make

1 the allocation under this subd. 4. b., the purchaser shall allocate the delivery charge
2 amount, consistent with this subd. 4. b.

3 5. Installation charges.

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

5 1. Discounts, including cash, terms, or coupons, that are not reimbursed by a
6 3rd party, except as provided in par. (c); that are allowed by a seller; and that are
7 taken by a purchaser on a sale.

8 2. Interest, financing, and carrying charges from credit that is extended on a
9 sale of tangible personal property, items or property under s. 77.52 (1) (b) or (c), or
10 services, if the amount of the interest, financing, or carrying charges is separately
11 stated on the invoice, bill of sale, or similar document that the seller gives to the
12 purchaser.

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

16 4. Delivery charges for direct mail.

17 5. In all transactions in which an article of tangible personal property, an item
18 under s. 77.52 (1) (b), or property under s. 77.52 (1) (c) is traded toward the purchase
19 of an article, item, or property of greater value, the amount of the purchase price that
20 represents the amount allowed for the article, item, or property traded, except that
21 this subdivision does not apply to any transaction to which subd. 7. or 8. applies.

22 6. If a person who purchases a motor vehicle presents a statement issued under
23 s. 218.0171 (2) (cq) to the seller at the time of purchase, and the person presents the
24 statement to the seller within 60 days from the date of receiving a refund under s.
25 218.0171 (2) (b) 2. b., the trade-in amount specified in the statement issued under

1 s. 218.0171 (2) (cq), but not to exceed the purchase price from the sale of the motor
2 vehicle. This subdivision applies only to the first motor vehicle purchased by a
3 person after receiving a refund under s. 218.0171 (2) (b) 2. b.

4 7. Thirty-five percent of the purchase price, excluding trade-ins, of a new
5 manufactured home, as defined in s. 101.91 (11). This subdivision does not apply to
6 a lease or rental.

7 8. At the retailer's option; except that after the retailer chooses an option the
8 retailer may not use the other option for other sales without the department's written
9 approval; either 35 percent of the purchase price of a modular home, as defined in
10 s. 101.71 (6), or an amount equal to the purchase price of the home minus the cost
11 of materials that become an ingredient or component part of the home.

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

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

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

18 3. The amount of the consideration that is attributable to the sale is a fixed
19 amount and the seller is able to determine that amount at the time of the sale to the
20 purchaser.

21 4. One of the following also applies:

22 a. The purchaser presents a coupon, certificate, or other documentation to the
23 seller to claim the price reduction or discount, if the coupon, certificate, or other
24 documentation is authorized, distributed, or granted by the 3rd party with the

1 understanding that the 3rd party will reimburse the seller for the amount of the price
2 reduction or discount.

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

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

8 **SECTION 9gn.** 77.51 (12p) of the statutes is created to read:

9 77.51 (12p) "Purchaser" means a person to whom a sale of tangible personal
10 property is made or to whom a service is furnished.

11 **SECTION 9go.** 77.51 (13) (a) of the statutes is amended to read:

12 77.51 (13) (a) Every seller who makes any sale, regardless of whether the sale
13 is mercantile in nature, of tangible personal property, items or property under s.
14 77.52 (1) (b) or (c), or a service specified under s. 77.52 (2) (a).

15 **SECTION 9gp.** 77.51 (13) (b) of the statutes is amended to read:

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

21 **SECTION 9gq.** 77.51 (13) (c) of the statutes is amended to read:

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

1 tangible personal property or items or property under s. 77.52 (1) (b) or (c) sold by
2 them, irrespective of whether they are making the sales on their own behalf or on
3 behalf of such dealers, distributors, supervisors or employers, the department may
4 so regard them and may regard the dealers, distributors, supervisors or employers
5 as retailers for purposes of this subchapter.

6 **SECTION 9gr.** 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 or items or property under s. 77.52 (1) (b) or (c) to a person other
9 than a seller as defined in sub. (17) provided such wholesaler is not expressly exempt
10 from the sales tax on such sale or from collecting the use tax on such sale.

11 **SECTION 9gs.** 77.51 (13) (e) of the statutes is amended to read:

12 77.51 (13) (e) A person selling tangible personal property or items or property
13 under s. 77.52 (1) (b) or (c) to a service provider who transfers the property in
14 conjunction with the selling, performing or furnishing of any service and the
15 property is or items are incidental to the service, unless the service provider is
16 selling, performing or furnishing services under s. 77.52 (2) (a) 7., 10., 11. and 20.
17 This subsection does not apply to sub. (2).

18 **SECTION 9gt.** 77.51 (13) (f) of the statutes is amended to read:

19 77.51 (13) (f) A service provider who transfers tangible personal property or
20 items or property under s. 77.52 (1) (b) or (c) in conjunction with but not incidental
21 to the selling, performing or furnishing of any service and a service provider selling,
22 performing or furnishing services under s. 77.52 (2) (a) 7., 10., 11. and 20. This
23 subsection does not apply to sub. (2).

24 **SECTION 9gv.** 77.51 (13) (k) of the statutes is amended to read:

1 77.51 (13) (k) ~~As respects~~ With respect to a lease, any person deriving rentals
2 from a lease of tangible personal property or items or property under s. 77.52 (1) (b)
3 or (c) situated in this state.

4 **SECTION 9gw.** 77.51 (13) (m) of the statutes is amended to read:

5 77.51 (13) (m) A person selling tangible personal property or items or property
6 under s. 77.52 (1) (b) or (c) to a veterinarian to be used or furnished by the
7 veterinarian in the performance of services in some manner related to domestic
8 animals, including pets or poultry.

9 **SECTION 9hb.** 77.51 (13) (n) of the statutes is amended to read:

10 77.51 (13) (n) A person selling household furniture, furnishings, equipment,
11 appliances or other items of tangible personal property or items or property under
12 s. 77.52 (1) (b) or (c) to a landlord for use by tenants in leased or rented living
13 quarters.

14 **SECTION 9hc.** 77.51 (13) (o) of the statutes is amended to read:

15 77.51 (13) (o) A person selling ~~medicine~~ drugs for animals to a veterinarian.
16 As used in this paragraph, "animal" includes livestock, pets and poultry.

17 **SECTION 9hd.** 77.51 (13g) (intro.) of the statutes is amended to read:

18 77.51 (13g) (intro.) Except as provided in sub. (13h), "retailer engaged in
19 business in this state", ~~unless otherwise limited by federal statute~~, for purposes of
20 the use tax, means any of the following:

21 **SECTION 9he.** 77.51 (13g) (a) of the statutes is amended to read:

22 77.51 (13g) (a) Any retailer owning any real property in this state or leasing
23 or renting out any tangible personal property, or items or property under s. 77.52 (1)
24 (b) or (c), located in this state or maintaining, occupying or using, permanently or
25 temporarily, directly or indirectly, or through a subsidiary, or agent, by whatever

1 name called, an office, place of distribution, sales or sample room or place, warehouse
2 or storage place or other place of business in this state.

3 **SECTION 9hf.** 77.51 (13g) (b) of the statutes is amended to read:

4 77.51 (13g) (b) Any retailer having any representative, agent, salesperson,
5 canvasser or solicitor operating in this state under the authority of the retailer or its
6 subsidiary for the purpose of selling, delivering or the taking of orders for any
7 tangible personal property, items or property under s. 77.52 (1) (b) or (c), or taxable
8 services.

9 **SECTION 9hg.** 77.51 (13g) (c) of the statutes is created to read:

10 77.51 (13g) (c) Any retailer selling tangible personal property, items or
11 property under s. 77.52 (1) (b) or (c), or taxable services for storage, use, or other
12 consumption in this state, unless otherwise limited by federal law.

13 **SECTION 9hh.** 77.51 (13r) of the statutes is amended to read:

14 77.51 (13r) Any person purchasing from a retailer as defined in sub. (13) shall
15 be deemed the consumer of the tangible personal property, items or property under
16 s. 77.52 (1) (b) or (c), or services purchased.

17 **SECTION 9hi.** 77.51 (13rm) of the statutes is created to read:

18 77.51 (13rm) "Retail sale" or "sale at retail" means any sale, lease, or rental
19 for any purpose other than resale, sublease, or subrent.

20 **SECTION 9hj.** 77.51 (13rn) of the statutes is created to read:

21 77.51 (13rn) "Ringtones" means digitized sound files that are downloaded onto
22 a device and that may be used to alert the customer with regard to a communication.
23 "Ringtones" includes MP3 or musical tones, polyphonic tones, and synthetic music
24 mobile application format tones, but does not include ring-back tones.

25 **SECTION 9hk.** 77.51 (14) (intro.) of the statutes is amended to read:

1 77.51 (14) (intro.) "~~Sale~~", "~~sale, lease or rental~~", "~~retail sale~~", "~~sale at retail~~", or
2 ~~equivalent terms include~~ includes any one or all of the following: the transfer of the
3 ownership of, title to, possession of, or enjoyment of tangible personal property, items
4 or property under s. 77.52 (1) (b) or (c), or services for use or consumption but not for
5 resale as tangible personal property, items or property under s. 77.52 (1) (b) or (c),
6 or services and includes:

7 **SECTION 9hL.** 77.51 (14) (a) of the statutes is amended to read:

8 77.51 (14) (a) Any sale at an auction in with respect to tangible personal
9 property or items or property under s. 77.52 (1) (b) or (c) which is are sold to a
10 successful bidder. ~~The proceeds from, except the sale of property or items sold at~~
11 auction which is are bid in by the seller and on which title does not pass to a new
12 purchaser ~~shall be deducted from the gross proceeds of the sale and the tax paid only~~
13 ~~on the net proceeds.~~

14 **SECTION 9hm.** 77.51 (14) (b) of the statutes is amended to read:

15 77.51 (14) (b) The furnishing or distributing of tangible personal property,
16 items or property under s. 77.52 (1) (b) or (c), or taxable services for a consideration
17 by social clubs and fraternal organizations to their members or others.

18 **SECTION 9hn.** 77.51 (14) (c) of the statutes is amended to read:

19 77.51 (14) (c) A transaction whereby the possession of tangible personal
20 property is or items or property under s. 77.52 (1) (b) or (c) are transferred but the
21 seller retains the title as security for the payment of the price.

22 **SECTION 9hp.** 77.51 (14) (d) of the statutes is repealed.

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

24 **SECTION 9hr.** 77.51 (14) (h) of the statutes is amended to read:

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

5 **SECTION 9hs.** 77.51 (14) (i) of the statutes is repealed.

6 **SECTION 9ht.** 77.51 (14) (j) of the statutes is amended to read:

7 77.51 (14) (j) The granting of possession of tangible personal property or items
8 or property under s. 77.52 (1) (b) or (c) by a lessor to a lessee, or to another person at
9 the direction of the lessee. Such a transaction is deemed a continuing sale in this
10 state ~~by the lessor for the duration of the lease as respects any period of time the~~
11 ~~leased property is situated in this state, irrespective of the time or place of delivery~~
12 ~~of the property to the lessee or such other person.~~

13 **SECTION 9hv.** 77.51 (14) (k) of the statutes is repealed.

14 **SECTION 9hw.** 77.51 (14) (L) of the statutes is repealed.

15 **SECTION 9ib.** 77.51 (14g) (a) of the statutes is amended to read:

16 77.51 (14g) (a) The transfer of property or items or property under s. 77.52 (1)
17 (b) or (c) to a corporation upon its organization solely in consideration for the issuance
18 of its stock;

19 **SECTION 9ic.** 77.51 (14g) (b) of the statutes is amended to read:

20 77.51 (14g) (b) The contribution of property or items or property under s. 77.52
21 (1) (b) or (c) to a newly formed partnership solely in consideration for a partnership
22 interest therein;

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

1 77.51 (14g) (bm) The contribution of property or items or property under s.
2 77.52 (1) (b) or (c) to a limited liability company upon its organization solely in
3 consideration for a membership interest;

4 **SECTION 9ie.** 77.51 (14g) (c) of the statutes is amended to read:

5 77.51 (14g) (c) The transfer of property or items or property under s. 77.52 (1)
6 (b) or (c) to a corporation, solely in consideration for the issuance of its stock,
7 pursuant to a merger or consolidation;

8 **SECTION 9if.** 77.51 (14g) (cm) of the statutes is amended to read:

9 77.51 (14g) (cm) The transfer of property or items or property under s. 77.52
10 (1) (b) or (c) to a limited liability company, solely in consideration for a membership
11 interest, pursuant to a merger;

12 **SECTION 9ig.** 77.51 (14g) (d) of the statutes is amended to read:

13 77.51 (14g) (d) The distribution of property or items or property under s. 77.52
14 (1) (b) or (c) by a corporation to its stockholders as a dividend or in whole or partial
15 liquidation;

16 **SECTION 9ih.** 77.51 (14g) (e) of the statutes is amended to read:

17 77.51 (14g) (e) The distribution of property or items or property under s. 77.52
18 (1) (b) or (c) by a partnership to its partners in whole or partial liquidation;

19 **SECTION 9ii.** 77.51 (14g) (em) of the statutes is amended to read:

20 77.51 (14g) (em) The distribution of property or items or property under s.
21 77.52 (1) (b) or (c) by a limited liability company to its members in whole or partial
22 liquidation;

23 **SECTION 9ij.** 77.51 (14g) (f) of the statutes is amended to read:

1 77.51 (14g) (f) Repossession of property or items or property under s. 77.52 (1)
2 (b) or (c) by the seller from the purchaser when the only consideration is cancellation
3 of the purchaser's obligation to pay the remaining balance of the purchase price;

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

5 77.51 (14g) (g) The transfer of property or items or property under s. 77.52 (1)
6 (b) or (c) in a reorganization as defined in section 368 of the internal revenue code
7 in which no gain or loss is recognized for franchise or income tax purposes; or

8 **SECTION 9iL.** 77.51 (14g) (h) of the statutes is amended to read:

9 77.51 (14g) (h) Any transfer of all or substantially all the property or items or
10 property under s. 77.52 (1) (b) or (c) held or used by a person in the course of an
11 activity requiring the holding of a seller's permit, if after the transfer the real or
12 ultimate ownership of the property or items is substantially similar to that which
13 existed before the transfer. For the purposes of this section, stockholders,
14 bondholders, partners, members or other persons holding an interest in a
15 corporation or other entity are regarded as having the real or ultimate ownership of
16 the property or items of the corporation or other entity. In this paragraph,
17 "substantially similar" means 80% or more of ownership.

18 **SECTION 9im.** 77.51 (14r) of the statutes is repealed.

19 **SECTION 9in.** 77.51 (15) of the statutes, as affected by 2007 Wisconsin Act 11,
20 is repealed.

21 **SECTION 9io.** 77.51 (15a) of the statutes is created to read:

22 77.51 (15a) (a) "Sales, lease, or rental for resale, sublease, or subrent" includes
23 transfers of tangible personal property or items or property under s. 77.52 (1) (b) or
24 (c) to a service provider that the service provider transfers in conjunction with but
25 not incidental to the selling, performing, or furnishing of any service, and transfers

1 of tangible personal property or items or property under s. 77.52 (1) (b) or (c) to a
2 service provider that the service provider physically transfers in conjunction with
3 the selling, performing, or furnishing services under s. 77.52 (2) (a) 7., 10., 11., or 20.
4 This paragraph does not apply to sub. (2).

5 (b) "Sales, lease, or rental for resale, sublease, or subrent" does not include any
6 of the following:

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

11 2. Any sale of tangible personal property or items or property under s. 77.52
12 (1) (b) or (c) to a purchaser even though such property or items may be used or
13 consumed by some other person to whom such purchaser transfers the property or
14 items without valuable consideration, such as gifts, and advertising specialties
15 distributed at no charge and apart from the sale of other tangible personal property,
16 items or property under s. 77.52 (1) (b) or (c), or service.

17 3. Transfers of tangible personal property or items or property under s. 77.52
18 (1) (b) or (c) to a service provider that the service provider transfers in conjunction
19 with the selling, performing, or furnishing of any service, if the tangible personal
20 property or items or property under s. 77.52 (1) (b) or (c) are incidental to the service,
21 unless the service provider is selling, performing, or furnishing services under s.
22 77.52 (2) (a) 7., 10., 11., or 20.

23 **SECTION 9ip.** 77.51 (15b) of the statutes is created to read:

24 77.51 (15b) (a) "Sales price" means the total amount of consideration, including
25 cash, credit, property, and services, for which tangible personal property, items or

1 property under s. 77.52 (1) (b) or (c), or services are sold, leased, or rented, valued in
2 money, whether received in money or otherwise, without any deduction for the
3 following:

4 1. The seller's cost of the property or items or property under s. 77.52 (1) (b) or
5 (c) sold.

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

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

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

12 b. If a shipment includes property or items that are subject to tax under this
13 subchapter and property or items that are not subject to tax under this subchapter,
14 the amount of the delivery charge that the seller allocates to the property or items
15 that are subject to tax under this subchapter is based either on the total sales price
16 of the property or items that are subject to tax under this subchapter as compared
17 to the total sales price of all the property or items or on the total weight of the property
18 or items that are subject to tax under this subchapter as compared to the total weight
19 of all the property or items.

20 5. Installation charges.

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

22 1. Discounts, including cash, terms, or coupons, that are not reimbursed by a
23 3rd party, except as provided in par. (c); that are allowed by a seller; and that are
24 taken by a purchaser on a sale.

1 2. Interest, financing, and carrying charges from credit that is extended on a
2 sale of tangible personal property, items or property under s. 77.52 (1) (b) or (c), or
3 services, if the amount of the interest, financing, or carrying charges is separately
4 stated on the invoice, bill of sale, or similar document that the seller gives to the
5 purchaser.

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

9 4. Delivery charges for direct mail.

10 5. In all transactions in which an article of tangible personal property, an item
11 under s. 77.52 (1) (b), or property under s. 77.52 (1) (c) is traded toward the purchase
12 of an article, item, or property of greater value, the amount of the sales price that
13 represents the amount allowed for the article, item, or property traded, except that
14 this subdivision does not apply to any transaction to which subd. 7. or 8. applies.

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

22 7. Thirty-five percent of the sales price, excluding trade-ins, of a new
23 manufactured home, as defined in s. 101.91 (11) . This subdivision does not apply
24 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 sales price of a modular home, as defined in s.
4 101.71 (6), or an amount equal to the sales price of the home minus the cost of
5 materials that become an ingredient or component part of the home.

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

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

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

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

15 4. One of the following also applies:

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

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

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

1 **SECTION 9iq.** 77.51 (17) (intro.) of the statutes, as affected by 2007 Wisconsin
2 Act 20, is amended to read:

3 77.51 (17) (intro.) "Seller" includes every person selling, leasing, or renting
4 tangible personal property or items or property under s. 77.52 (1) (b) or (c) or selling,
5 performing, or furnishing services of a kind the ~~gross receipts~~ sales price from the
6 sale, lease, rental, performance, or furnishing of which ~~are~~ is required to be included
7 in the measure of the sales tax, regardless of all of the following:

8 **SECTION 9ir.** 77.51 (17m) of the statutes is repealed and recreated to read:

9 77.51 (17m) "Service address" means any of the following:

10 (a) The location of the telecommunications equipment to which a customer's
11 telecommunications service is charged and from which the telecommunications
12 service originates or terminates, regardless of where the telecommunications service
13 is billed or paid.

14 (b) If the location described under par. (a) is not known by the seller who sells
15 the telecommunications service, the location where the signal of the
16 telecommunications service originates, as identified by the seller's
17 telecommunications system or, if the signal is not transmitted by the seller's
18 telecommunications system, by information that the seller received from the seller's
19 service provider.

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

22 **SECTION 9is.** 77.51 (17w) of the statutes is created to read:

23 77.51 (17w) "Soft drink" means a beverage that contains less than 0.5 percent
24 of alcohol and that contains natural or artificial sweeteners. "Soft drink" does not

1 include a beverage that contains milk or milk products; soy, rice, or similar milk
2 substitutes; or more than 50 percent vegetable or fruit juice by volume.

3 **SECTION 9it.** 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 or items or property under s. 77.52 (1) (b) or (c) purchased from a
6 retailer for any purpose except sale in the regular course of business.

7 **SECTION 9iv.** 77.51 (20) of the statutes is amended to read:

8 77.51 (20) "Tangible personal property" means ~~all tangible personal property~~
9 ~~of every kind and description that can be seen, weighed, measured, felt, or touched,~~
10 ~~or that is in any other manner perceptible to the senses,~~ and includes electricity,
11 natural gas, steam and, water, and also ~~leased property affixed to realty if the lessor~~
12 ~~has the right to remove the property upon breach or termination of the lease~~
13 ~~agreement, unless the lessor of the property is also the lessor of the realty to which~~
14 ~~the property is affixed. "Tangible personal property" also includes coins and stamps~~
15 ~~of the United States sold or traded as collectors' items above their face value and~~
16 ~~computer programs except custom computer programs~~ prewritten computer
17 software, but does not include items or property under s. 77.52 (1) (b) or (c).

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

19 77.51 (21) "Taxpayer" means the person who is required to pay, collect, or
20 account for or who is otherwise directly interested in the taxes imposed by this
21 subchapter, including a certified service provider.

22 **SECTION 9jb.** 77.51 (21m) of the statutes is amended to read:

23 77.51 (21m) "Telecommunications and Internet access services" means
24 sending messages and information transmitted through the use of local, toll and
25 wide-area telephone service; channel services; telegraph services; teletypewriter;

1 computer exchange services; cellular mobile telecommunications service; specialized
2 mobile radio; stationary two-way radio; paging service; or any other form of mobile
3 and portable one-way or two-way communications; or any other transmission of
4 messages or information by electronic or similar means between or among points by
5 wire, cable, fiber optics, laser, microwave, radio, satellite or similar facilities.
6 “Telecommunications and Internet access services” does not include sending collect
7 telecommunications that are received outside of the state.

8 **SECTION 9jc.** 77.51 (21m) of the statutes, as affected by 2007 Wisconsin Act
9 (this act), is repealed and recreated to read:

10 **77.51 (21m)** “Internet access services” means sending messages and
11 information transmitted through the use of local, toll and wide-area telephone
12 service; channel services; telegraph services; teletypewriter; computer exchange
13 services; cellular mobile telecommunications service; specialized mobile radio;
14 stationary two-way radio; paging service; or any other form of mobile and portable
15 one-way or two-way communications; or any other transmission of messages or
16 information by electronic or similar means between or among points by wire, cable,
17 fiber optics, laser, microwave, radio, satellite or similar facilities. “Internet access
18 services” does not include telecommunications services to the extent that such
19 services are taxable under s. 77.52 (2) (a) 5. am.

20 **SECTION 9jd.** 77.51 (21n) of the statutes is created to read:

21 **77.51 (21n)** “Telecommunications services” means electronically transmitting,
22 conveying, or routing voice, data, audio, video, or other information or signals to a
23 point or between or among points. “Telecommunications services” includes the
24 transmission, conveyance, or routing of such information or signals in which
25 computer processing applications are used to act on the content’s form, code, or

1 protocol for transmission, conveyance, or routing purposes, regardless of whether
2 the service is referred to as a voice over Internet protocol service or classified by the
3 federal communications commission as an enhanced or value-added service.
4 "Telecommunications services" does not include any of the following:

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

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

10 (c) Tangible personal property.

11 (d) Advertising, including directory advertising.

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

13 (f) Internet access services.

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

19 (h) Ancillary services.

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

22 **SECTION 9je.** 77.51 (21p) of the statutes is created to read:

23 77.51 (21p) "Tobacco" means cigarettes, cigars, chewing tobacco, pipe tobacco,
24 and any other item that contains tobacco.

25 **SECTION 9jf.** 77.51 (21q) of the statutes is created to read:

1 77.51 (21q) "Transferred electronically" means accessed or obtained by the
2 purchaser by means other than tangible storage media.

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

4 77.51 (22) (a) "Use" includes the exercise of any right or power over tangible
5 personal property, items or property under s. 77.52 (1) (b) or (c), or taxable services
6 incident to the ownership, possession or enjoyment of the property, items, or services,
7 or the results produced by the services, including installation or affixation to real
8 property and including the possession of, or the exercise of any right or power over
9 tangible personal property or items or property under s. 77.52 (1) (b) or (c) by a lessee
10 under a lease, except that "use" does not include the activities under sub. (18).

11 **SECTION 9jh.** 77.51 (22) (b) of the statutes is amended to read:

12 77.51 (22) (b) In this subsection "enjoyment" includes a purchaser's right to
13 direct the disposition of property or items or property under s. 77.52 (1) (b) or (c),
14 whether or not the purchaser has possession of the property or items. "Enjoyment"
15 also includes, but is not limited to, having shipped into this state by an out-of-state
16 supplier printed material which is designed to promote the sale of property, items or
17 property under s. 77.52 (1) (b) or (c), or services, or which is otherwise related to the
18 business activities, of the purchaser of the printed material or printing service.

19 **SECTION 9ji.** 77.51 (22) (bm) of the statutes is created to read:

20 77.51 (22) (bm) In this subsection, "exercise of any right or power over tangible
21 personal property, items or property under s. 77.52 (1) (b) or (c), or taxable services"
22 includes distributing, selecting recipients, determining mailing schedules, or
23 otherwise directing the distribution, dissemination, or disposal of tangible personal
24 property, items or property under s. 77.52 (1) (b) or (c), or taxable services, regardless

1 of whether the purchaser of such property, items, or services owns or physically
2 possesses, in this state, the property, items, or services.

3 **SECTION 9jj.** 77.51 (24) of the statutes is created to read:

4 77.51 (24) "Value-added non-voice data service" means a service in which
5 computer processing applications are used to act on the form, content, code, or
6 protocol of the data provided by the service and are used primarily for a purpose other
7 than for transmitting, conveying, or routing data.

8 **SECTION 9jk.** 77.51 (25) of the statutes is created to read:

9 77.51 (25) "Vertical service" means an ancillary service that is provided with
10 one or more telecommunications services and allows customers to identify callers
11 and to manage multiple calls and call connections, including conference bridging
12 services.

13 **SECTION 9jL.** 77.51 (26) of the statutes is created to read:

14 77.51 (26) "Voice mail service" means an ancillary service that allows a
15 customer to store, send, or receive recorded messages, not including any vertical
16 service that the customer must have to use the voice mail service.

17 **SECTION 9jm.** 77.52 (1) of the statutes is renumbered 77.52 (1) (a) and amended
18 to read:

19 77.52 (1) (a) For the privilege of selling, licensing, leasing or renting tangible
20 personal property, including accessories, components, attachments, parts, supplies
21 and materials, at retail a tax is imposed upon all retailers at the rate of 5% of the
22 gross receipts sales price from the sale, license, lease or rental of tangible personal
23 property, including accessories, components, attachments, parts, supplies and
24 materials, sold, leased or rented at retail in this state, as determined under s. 77.522.

25 **SECTION 9jn.** 77.52 (1) (b) of the statutes is created to read:

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

5 **SECTION 9jo.** 77.52 (1) (c) of the statutes is created to read:

6 77.52 (1) (c) For the privilege of leasing property that is affixed to real property,
7 a tax is imposed on all retailers at the rate of 5 percent of the sales price from the lease
8 of such property, if the lessor has the right to remove the leased property upon breach
9 or termination of the lease agreement, unless the lessor of the leased property is also
10 the lessor of the real property to which the leased property is affixed.

11 **SECTION 9jp.** 77.52 (1b) of the statutes, as created by 2007 Wisconsin Act 20,
12 is repealed and recreated to read:

13 77.52 (1b) All sales, leases, or rentals of tangible personal property or items
14 or property under sub. (1) (b) or (c) at retail in this state are subject to the tax imposed
15 under sub. (1) unless an exemption in this subchapter applies.

16 **SECTION 9jq.** 77.52 (2) (intro.) of the statutes is amended to read:

17 77.52 (2) (intro.) For the privilege of selling, licensing, performing or furnishing
18 the services described under par. (a) at retail in this state, as determined under s.
19 77.522, to consumers or users, a tax is imposed upon all persons selling, licensing,
20 performing or furnishing the services at the rate of 5% of the ~~gross receipts~~ sales price
21 from the sale, license, performance or furnishing of the services.

22 **SECTION 9jr.** 77.52 (2) (a) 5. a. of the statutes is amended to read:

23 77.52 (2) (a) 5. a. The sale of telecommunications and Internet access services,
24 except services subject to 4 USC 116 to 126, as amended by P.L. 106-252, that either
25 originate or terminate in this state; except services that are obtained by means of a

1 toll-free number, that originate outside this state and that terminate in this state;
2 and are charged to a service address in this state, regardless of the location where
3 that charge is billed or paid; and the sale of the rights to purchase
4 telecommunications services, including purchasing reauthorization numbers, by
5 paying in advance and by using an access number and authorization code, except
6 sales that are subject to subd. 5. b.

7 **SECTION 9js.** 77.52 (2) (a) 5. a. of the statutes, as affected by 2007 Wisconsin
8 Act ... (this act), is repealed and recreated to read:

9 77.52 (2) (a) 5. a. The sale of Internet access services.

10 **SECTION 9jt.** 77.52 (2) (a) 5. am. of the statutes is created to read:

11 77.52 (2) (a) 5. am. The sale of intrastate, interstate, and international
12 telecommunications services, except interstate 800 services.

13 **SECTION 9jv.** 77.52 (2) (a) 5. b. of the statutes is repealed.

14 **SECTION 9jw.** 77.52 (2) (a) 5. c. of the statutes is created to read:

15 77.52 (2) (a) 5. c. The sale of ancillary services, except detailed
16 telecommunications billing services.

17 **SECTION 9kb.** 77.52 (2) (a) 5m. of the statutes is amended to read:

18 77.52 (2) (a) 5m. The sale of services that consist of recording
19 telecommunications messages and transmitting them to the purchaser of the service
20 or at that purchaser's direction, but not including those services ~~if they are merely~~
21 ~~an~~ that are taxable under subd. 5. or services that are incidental, as defined in s.
22 77.51 (5), ~~element of to~~ another service that is not taxable under this subchapter and
23 ~~sold to that~~ the purchaser of the incidental service and is not taxable under this
24 subchapter.

25 **SECTION 9kc.** 77.52 (2) (a) 10. of the statutes is amended to read:

1 77.52 (2) (a) 10. Except for services provided by veterinarians and except for
2 installing or applying tangible personal property that, subject to par. (ag), when
3 installed or applied, will constitute an addition or capital improvement of real
4 property, the repair, service, alteration, fitting, cleaning, painting, coating, towing,
5 inspection, and maintenance of all items of tangible personal property or items or
6 property under sub. (1) (b) or (c), unless, at the time of that the repair, service,
7 alteration, fitting, cleaning, painting, coating, towing, inspection, or maintenance,
8 a sale in this state of the type of property or item repaired, serviced, altered, fitted,
9 cleaned, painted, coated, towed, inspected, or maintained would have been exempt
10 to the customer from sales taxation under this subchapter, other than the exempt
11 sale of a motor vehicle or truck body to a nonresident under s. 77.54 (5) (a) and other
12 than nontaxable sales under s. ~~77.51 (14r) juvenile~~ 77.522 or unless the repair,
13 service, alteration, fitting, cleaning, painting, coating, towing, inspection, or
14 maintenance is provided under a contract that is subject to tax under subd. 13m. The
15 tax imposed under this subsection applies to the repair, service, alteration, fitting,
16 cleaning, painting, coating, towing, inspection, or maintenance of items listed in par.
17 (ag), regardless of whether the installation or application of tangible personal
18 property or items or property under sub. (1) (b) or (c) related to the items is an
19 addition to or a capital improvement of real property, except that the tax imposed
20 under this subsection does not apply to the original installation or the complete
21 replacement of an item listed in par. (ag), if that the installation or replacement is
22 a real property construction activity under s. 77.51 (2).

23 **SECTION 9kd.** 77.52 (2) (a) 11. of the statutes, as affected by 2007 Wisconsin Act
24 20, is amended to read:

1 77.52 (2) (a) 11. The producing, fabricating, processing, printing, or imprinting
2 of tangible personal property or items or property under sub. (1) (b) or (c) for a
3 consideration for consumers who furnish directly or indirectly the materials used in
4 the producing, fabricating, processing, printing, or imprinting. This subdivision
5 does not apply to the printing or imprinting of tangible personal property or items
6 or property under sub. (1) (b) or (c) that results in printed material, catalogs, or
7 envelopes that are exempt under s. 77.54 (25) or (25m).

8 **SECTION 9ke.** 77.52 (2) (a) 13m. of the statutes is created to read:

9 77.52 (2) (a) 13m. The sale of contracts, including service contracts,
10 maintenance agreements, and warranties, that provide, in whole or in part, for the
11 future performance of or payment for the repair, service, alteration, fitting, cleaning,
12 painting, coating, towing, inspection, or maintenance of tangible personal property
13 or items or property under sub. (1) (b) or (c), unless the sale, lease, or rental in this
14 state of the property or items to which the contract relates is or was exempt, to the
15 purchaser of the contract, from taxation under this subchapter.

16 **SECTION 9kf.** 77.52 (2m) (a) of the statutes is amended to read:

17 77.52 (2m) (a) With respect to the services subject to tax under sub. (2), no part
18 of the charge for the service may be deemed a sale or rental of tangible personal
19 property or items or property under sub. (1) (b) or (c) if the property or items
20 transferred by the service provider is are incidental to the selling, performing or
21 furnishing of the service, except as provided in par. (b).

22 **SECTION 9kg.** 77.52 (2m) (b) of the statutes is amended to read:

23 77.52 (2m) (b) With respect to the services subject to tax under sub. (2) (a) 7.,
24 10., 11. and 20., all property or items or property under sub. (1) (b) or (c) physically
25 transferred, or transferred electronically, to the customer in conjunction with the

1 selling, performing or furnishing of the service is a sale of tangible personal property
2 or items or property under sub. (1) (b) or (c) separate from the selling, performing or
3 furnishing of the service.

4 **SECTION 9kh.** 77.52 (2n) of the statutes, as created by 2007 Wisconsin Act 20,
5 is repealed and recreated to read:

6 77.52 (2n) The selling, licensing, performing, or furnishing of the services
7 described under sub. (2) (a) at retail in this state, as determined under s. 77.522, is
8 subject to the tax imposed under sub. (2) unless an exemption in this subchapter
9 applies.

10 **SECTION 9ki.** 77.52 (3m) of the statutes is repealed.

11 **SECTION 9kj.** 77.52 (3n) of the statutes is repealed.

12 **SECTION 9kk.** 77.52 (4) of the statutes is amended to read:

13 77.52 (4) It is unlawful for any retailer to advertise or hold out or state to the
14 public or to any customer, directly or indirectly, that the tax or any part thereof will
15 be assumed or absorbed by the retailer or that it will not be added to the selling price
16 of the property or items or property under sub. (1) (b) or (c) sold or that if added it,
17 or any part thereof, will be refunded. Any person who violates this subsection is
18 guilty of a misdemeanor.

19 **SECTION 9kL.** 77.52 (6) of the statutes is repealed.

20 **SECTION 9km.** 77.52 (7) of the statutes is amended to read:

21 77.52 (7) Every person desiring to operate as a seller within this state who
22 holds a valid certificate under s. 73.03 (50) shall file with the department an
23 application for a permit for each place of operations. Every application for a permit
24 shall be made upon a form prescribed by the department and shall set forth the name
25 under which the applicant intends to operate, the location of the applicant's place of

1 operations, and the other information that the department requires. The Except as
2 provided in sub. (7b), the application shall be signed by the owner if a sole proprietor;
3 in the case of sellers other than sole proprietors, the application shall be signed by
4 the person authorized to act on behalf of such sellers. A nonprofit organization that
5 has ~~gross receipts~~ a sales price taxable under s. 77.54 (7m) shall obtain a seller's
6 permit and pay taxes under this subchapter on all taxable ~~gross receipts~~ sales prices
7 received after it is required to obtain that permit. If that organization becomes
8 eligible later for the exemption under s. 77.54 (7m) except for its possession of a
9 seller's permit, it may surrender that permit.

10 **SECTION 9kn.** 77.52 (7b) of the statutes is created to read:

11 77.52 (7b) Any person who may register under sub. (7) may designate an agent,
12 as defined in s. 77.524 (1) (ag), to register with the department under sub. (7), in the
13 manner prescribed by the department.

14 **SECTION 9ko.** 77.52 (12) of the statutes is amended to read:

15 77.52 (12) A person who operates as a seller in this state without a permit or
16 after a permit has been suspended or revoked or has expired, unless the person has
17 a temporary permit under sub. (11), and each officer of any corporation, partnership
18 member, limited liability company member, or other person authorized to act on
19 behalf of a seller who so operates, is guilty of a misdemeanor. Permits shall be held
20 only by persons actively operating as sellers of tangible personal property, items or
21 property under sub. (1) (b) or (c), or taxable services. Any person not so operating
22 shall forthwith surrender that person's permit to the department for cancellation.
23 The department may revoke the permit of a person found not to be actively operating
24 as a seller of tangible personal property, items or property under sub. (1) (b) or (c),
25 or taxable services.

1 **SECTION 9kp.** 77.52 (13) of the statutes is amended to read:

2 **77.52 (13)** For the purpose of the proper administration of this section and to
3 prevent evasion of the sales tax it shall be presumed that all receipts are subject to
4 the tax until the contrary is established. The burden of proving that a sale of tangible
5 personal property, items or property under sub. (1) (b) or (c), or services is not a
6 taxable sale at retail is upon the person who makes the sale unless that person takes
7 from the purchaser ~~a~~ an electronic or a paper certificate, in a manner prescribed by
8 the department, to the effect that the property, item, or service is purchased for resale
9 or is otherwise exempt, except that no certificate is required for sales of cattle, sheep,
10 goats, and pigs that are sold at an animal market, as defined in s. 95.68 (1) (ag), and
11 no certificate is required for sales of commodities, as defined in 7 USC 2, that are
12 consigned for sale in a warehouse in or from which the commodity is deliverable on
13 a contract for future delivery subject to the rules of a commodity market regulated
14 by the U.S. commodity futures trading commission if upon the sale the commodity
15 is not removed from the warehouse the sale of tangible personal property, items or
16 property under sub. (1) (b) or (c), and services that are exempt under s. 77.54 (7), (7m),
17 (8), (10), (11), (14), (15), (17), (20n), (21), (22b), (30), (31), (32), (35), (36), (37), (42),
18 (44), (45), (46), (51), and (52), except as provided in s. 77.54 (30) (e) and (f).

19 **SECTION 9kq.** 77.52 (14) (a) (intro.) and 1. and (b) of the statutes are
20 consolidated, renumbered 77.52 (14) (a) and amended to read:

21 **77.52 (14) (a)** The certificate referred to in sub. (13) relieves the seller ~~from the~~
22 ~~burden of proof of the tax otherwise applicable~~ only if any of the following is true:
23 1. The certificate is taken in good faith the seller obtains a fully completed exemption
24 certificate, or the information required to prove the exemption, from a person who
25 is engaged as a seller of tangible personal property or taxable services and who holds

1 ~~the permit provided for in sub. (9) and who, at the time of purchasing purchaser no~~
2 ~~later than 90 days after the date of the sale of the tangible personal property, items~~
3 ~~or property under sub. (1) (b) or (c), or services, intends to sell it in the regular course~~
4 ~~of operations or is unable to ascertain at the time of purchase whether the property~~
5 ~~or service will be sold or will be used for some other purpose. (b) except as provided~~
6 ~~in par. (am). The certificate under sub. (13) shall not relieve the seller of the tax~~
7 ~~otherwise applicable if the seller fraudulently fails to collect sales tax, solicits the~~
8 ~~purchaser to claim an unlawful exemption, accepts an exemption certificate from a~~
9 ~~purchaser who claims to be an entity that is not subject to the taxes imposed under~~
10 ~~this subchapter, if the subject of the transaction sought to be covered by the~~
11 ~~exemption certificate is received by the purchaser at a location operated by the seller~~
12 ~~in this state and the exemption certificate clearly and affirmatively indicates that~~
13 ~~the claimed exemption is not available in this state. The certificate referred to in sub.~~
14 ~~(13) shall be signed by and bear the name and address of provide information that~~
15 ~~identifies the purchaser; and shall indicate the general character of the tangible~~
16 ~~personal property or service sold by the purchaser and the basis for the claimed~~
17 ~~exemption and a paper certificate shall be signed by the purchaser. The certificate~~
18 ~~shall be in such form as the department prescribes by rule.~~

19 **SECTION 9kr.** 77.52 (14) (a) 2. of the statutes is repealed.

20 **SECTION 9ks.** 77.52 (14) (am) of the statutes is created to read:

21 77.52 (14) (am) If the seller has not obtained a fully completed exemption
22 certificate or the information required to prove the exemption, as provided in par. (a),
23 the seller may, no later than 120 days after the department requests that the seller
24 substantiate the exemption, either provide proof of the exemption to the department

1 by other means or obtain, in good faith, a fully completed exemption certificate from
2 the purchaser.

3 **SECTION 9kt.** 77.52 (15) of the statutes is amended to read:

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

16 **SECTION 9kv.** 77.52 (16) of the statutes is amended to read:

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

1 **SECTION 9kw.** 77.52 (17m) (b) 6. of the statutes is amended to read:

2 77.52 (17m) (b) 6. The applicant purchases enough tangible personal property
3 or items or property under sub. (1) (b) or (c) under circumstances that make it
4 difficult to determine whether the property or items will be subject to a tax under this
5 subchapter.

6 **SECTION 9Lb.** 77.52 (19) of the statutes is amended to read:

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

16 **SECTION 9Lc.** 77.52 (20) of the statutes is created to read:

17 77.52 (20) (a) Except as provided in par. (b), the entire sales price of a bundled
18 transaction is subject to the tax imposed under this subchapter.

19 (b) At the retailer's option, if the retailer can identify, by reasonable and
20 verifiable standards from the retailer's books and records that are kept in the
21 ordinary course of its business for other purposes, including purposes unrelated to
22 taxes, the portion of the price that is attributable to products that are not subject to
23 the tax imposed under this subchapter, that portion of the sales price is not taxable
24 under this subchapter. This paragraph does not apply to a bundled transaction that

1 contains food and food ingredients, drugs, durable medical equipment, mobility
2 enhancing equipment, prosthetic devices, or medical supplies.

3 **SECTION 9Ld.** 77.52 (21) of the statutes is created to read:

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

8 **SECTION 9Le.** 77.52 (22) of the statutes is created to read:

9 77.52 (22) With regard to transactions described in s. 77.51 (1f) (b), the service
10 provider is the consumer of the tangible personal property or items or property under
11 sub. (1) (b) or (c) and shall pay the tax imposed under this subchapter on the purchase
12 price of the property or items.

13 **SECTION 9Lf.** 77.52 (23) of the statutes is created to read:

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

18 **SECTION 9Lg.** 77.522 of the statutes is created to read:

19 **77.522 Sourcing.** (1) GENERAL. (a) In this section:

20 1. "Direct mail form" means a form for direct mail prescribed by the
21 department.

22 2. "Receive" means taking possession of tangible personal property or items or
23 property under s. 77.52 (1) (b) or (c); making first use of services; or taking possession
24 or making first use of digital goods, whichever comes first. "Receive" does not include

1 a shipping company taking possession of tangible personal property or items or
2 property under s. 77.52 (1) (b) or (c) on a purchaser's behalf.

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

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

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

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

14 d. Containers that are designed for use on the vehicles described in subd. 3. a.
15 to c. and component parts attached to or secured on such vehicles.

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

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

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

24 3. If the location of a sale of a product cannot be determined under subds. 1. and
25 2., the sale occurs at the purchaser's address as indicated by the seller's business

1 records, if the records are maintained in the ordinary course of the seller's business
2 and if using that address to establish the location of a sale is not in bad faith.

3 4. If the location of a sale of a product cannot be determined under subds. 1. to
4 3., the sale occurs at the purchaser's address as obtained during the consummation
5 of the sale, including the address indicated on the purchaser's payment instrument,
6 if no other address is available and if using that address is not in bad faith.

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

9 a. If the item sold is tangible personal property or items or property under s.
10 77.52 (1) (b) or (c), the sale occurs at the location from which the tangible personal
11 property or items or property under s. 77.52 (1) (b) or (c) is shipped.

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

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

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

1 provided the form, unless the purchaser revokes the form in writing and provides
2 such revocation to the seller.

3 (2) LEASE OR RENTAL. (a) Except as provided in pars. (b) and (c), with regard
4 to the first or only payment on the lease or rental, the lease or rental of tangible
5 personal property or items or property under s. 77.52 (1) (b) or (c) occurs at the
6 location determined under sub. (1) (b). If the property or item is moved from the place
7 where the property or item was initially delivered, the subsequent periodic payments
8 on the lease or rental occur at the property's or item's primary location as indicated
9 by an address for the property or item that is provided by the lessee and that is
10 available to the lessor in records that the lessor maintains in the ordinary course of
11 the lessor's business, if the use of such an address does not constitute bad faith. The
12 location of a lease or rental as determined under this paragraph shall not be altered
13 by any intermittent use of the property or item at different locations.

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

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

1 (d) A license of tangible personal property or items or property under s. 77.52
2 (1) (b) or (c) shall be treated as a lease or rental of tangible personal property under
3 this subsection.

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

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

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

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

13 4. "Customer" means a person who enters into a contract with a seller of
14 telecommunications services or, in any transaction for which the end user is not the
15 person who entered into a contract with the seller of telecommunications services,
16 the end user of the telecommunications services. "Customer" does not include a
17 person who resells telecommunications services or, for mobile telecommunications
18 services, a serving carrier under an agreement to serve a customer outside the home
19 service provider's licensed service area.

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

22 6. "End user" means the person who uses a telecommunications service. In the
23 case of an entity, "end user" means the individual who uses the telecommunications
24 service on the entity's behalf.

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

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

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

7 10. "Postpaid calling service" means a telecommunications service that is
8 obtained by paying for it on a call-by-call basis using a bankcard, travel card, credit
9 card, debit card, or similar method, or by charging it to a telephone number that is
10 not associated with the location where the telecommunications service originates or
11 terminates. "Postpaid calling service" includes a telecommunications service, not
12 including a prepaid wireless calling service, that would otherwise be a prepaid
13 calling service except that the service provided to the customer is not exclusively a
14 telecommunications service.

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

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

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

21 (b) Except as provided in pars. (d) to (j), the sale of a telecommunications service
22 that is sold on a call-by-call basis occurs in the taxing jurisdiction for sales and use
23 tax purposes where the call originates and terminates, in the case of a call that
24 originates and terminates in the same such jurisdiction, or the taxing jurisdiction for

1 sales and use tax purposes where the call originates or terminates and where the
2 service address is located.

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

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

9 (e) The sale of a postpaid calling service occurs at the location where the signal
10 of the telecommunications service originates, as first identified by the seller's
11 telecommunications system or, if the signal is not transmitted by the seller's
12 telecommunications system, by information that the seller received from the seller's
13 service provider.

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

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

23 2. The sale of a private communication service in which all customer channel
24 termination points are located entirely in one taxing jurisdiction for sales and use

1 tax purposes occurs in the taxing jurisdiction in which the customer channel
2 termination points are located.

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

7 4. If the segments are not charged separately, the sale of a private
8 communication service for segments of a communications channel that is located in
9 more than one taxing jurisdiction for sales and use tax purposes occurs in each such
10 jurisdiction in a percentage determined by dividing the number of customer channel
11 termination points in that jurisdiction by the number of customer channel
12 termination points in all jurisdictions where segments of the communications
13 channel are located.

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

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

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

21 (4) FLORISTS. (a) For purposes of this subsection, "retail florist" means a person
22 engaged in the business of selling cut flowers, floral arrangements, and potted plants
23 and who prepares such flowers, floral arrangements, and potted plants. "Retail
24 florist" does not include a person who sells cut flowers, floral arrangements, and
25 potted plants primarily by mail or via the Internet.

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

3 **SECTION 9Lh.** 77.523 (title) of the statutes is repealed.

4 **SECTION 9Li.** 77.523 of the statutes is renumbered 77.59 (9p) (a) and amended
5 to read:

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

1 alleged error in the assigned place of primary use or taxing jurisdiction, unless the
2 customer has exhausted his or her remedies under this ~~section~~ paragraph.

3 **SECTION 9Lj.** 77.524 (1) (a) of the statutes is renumbered 77.524 (1) (am).

4 **SECTION 9Lk.** 77.524 (1) (ag) of the statutes is created to read:

5 77.524 (1) (ag) "Agent" means a person appointed by a seller to represent the
6 seller before the states that are signatories to the agreement, as defined in s. 77.65
7 (2) (a).

8 **SECTION 9Lm.** 77.524 (1) (b) of the statutes is renumbered 77.51 (1g) and
9 amended to read:

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

15 **SECTION 9Ln.** 77.525 of the statutes is amended to read:

16 **77.525 Reduction to prevent double taxation.** Any person who is subject
17 to the tax under s. 77.52 (2) (a) 5. ~~a.~~ on telecommunications services that terminate
18 in this state and who has paid a similar tax on the same services to another state may
19 reduce the amount of the tax remitted to this state by an amount equal to the similar
20 tax properly paid to another state on those services or by the amount due this state
21 on those services, whichever is less. That person shall refund proportionally to the
22 persons to whom the tax under s. 77.52 (2) (a) 5. ~~a.~~ was passed on an amount equal
23 to the amounts not remitted.

24 **SECTION 9Lo.** 77.53 (1) of the statutes is amended to read:

1 77.53 (1) Except as provided in sub. (1m), an excise tax is levied and imposed
2 on the use or consumption in this state of taxable services under s. 77.52 purchased
3 from any retailer, at the rate of 5% of the sales purchase price of those services; on
4 the storage, use or other consumption in this state of tangible personal property and
5 items or property under s. 77.52 (1) (b) or (c) purchased from any retailer, at the rate
6 of 5% of the sales purchase price of ~~that~~ the property or items; and on the storage,
7 use or other consumption of tangible personal property or items or property under
8 s. 77.52 (1) (b) or (c) manufactured, processed or otherwise altered, in or outside this
9 state, by the person who stores, uses or consumes it, from material purchased from
10 any retailer, at the rate of 5% of the sales purchase price of that material.

11 **SECTION 9Lp.** 77.53 (1b) of the statutes, as created by 2007 Wisconsin Act 20,
12 is repealed and recreated to read:

13 77.53 (1b) The storage, use, or other consumption in this state of tangible
14 personal property or items or property under s. 77.52 (1) (b) or (c), and the use or other
15 consumption in this state of a taxable service, purchased from any retailer is subject
16 to the tax imposed in this section unless an exemption in this subchapter applies.

17 **SECTION 9Lq.** 77.53 (2) of the statutes is amended to read:

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

1 under sub. (3) relieves the purchaser from further liability for the tax to which the
2 receipt refers.

3 **SECTION 9Lr.** 77.53 (3) of the statutes is amended to read:

4 77.53 (3) Every retailer engaged in business in this state and making sales of
5 tangible personal property, items or property under s. 77.52 (1) (b) or (c), or taxable
6 services for delivery into this state or with knowledge directly or indirectly that the
7 property or service is intended for storage, use or other consumption in that are
8 sourced to this state under s. 77.522, shall, at the time of making the sales or, if the
9 storage, use or other consumption of the tangible personal property or taxable service
10 is not then taxable under this section, at the time the storage, use or other
11 consumption becomes taxable, collect the tax from the purchaser and give to the
12 purchaser a receipt in the manner and form prescribed by the department.

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

14 **SECTION 9Lt.** 77.53 (9) of the statutes is amended to read:

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

1 **SECTION 9Lv.** 77.53 (9m) of the statutes is renumbered 77.53 (9m) (a) and
2 amended to read:

3 **77.53 (9m) (a)** Any person who is not otherwise required to collect any tax
4 imposed by this subchapter and who makes sales to persons within this state of
5 tangible personal property, items or property under s. 77.52 (1) (b) or (c), or taxable
6 services the use of which is subject to tax under this subchapter may register with
7 the department under the terms and conditions that the department imposes and
8 shall obtain a valid certificate under s. 73.03 (50) and thereby be authorized and
9 required to collect, report, and remit to the department the use tax imposed by this
10 subchapter.

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

12 **77.53 (9m) (b)** Any person who may register under par. (a) may designate an
13 agent, as defined in s. 77.524 (1) (ag), to register with the department under par. (a),
14 in the manner prescribed by the department.

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

16 **77.53 (9m) (c)** The registration under par. (a) by a person who is not otherwise
17 required to collect any tax imposed by this subchapter shall not be used as a factor
18 in determining whether the seller has nexus with this state for any tax at any time.

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

20 **77.53 (10)** For the purpose of the proper administration of this section and to
21 prevent evasion of the use tax and the duty to collect the use tax, it is presumed that
22 tangible personal property, items or property under s. 77.52 (1) (b) or (c), or taxable
23 services sold by any person for delivery in this state is sold for storage, use, or other
24 consumption in this state until the contrary is established. The burden of proving
25 the contrary is upon the person who makes the sale unless that person takes from

1 the purchaser ~~a~~ an electronic or paper certificate, in a manner prescribed by
2 department, to the effect that the property, items or property under s. 77.52 (1) (b)
3 or (c), or taxable service is purchased for resale, or otherwise exempt from the tax,
4 except that no certificate is required for sales of cattle, sheep, goats, and pigs that are
5 sold at an animal market, as defined in s. 95.68 (1) (ag), and no certificate is required
6 for sales of commodities, as defined in 7 USC 2, that are consigned for sale in a
7 warehouse in or from which the commodity is deliverable on a contract for future
8 delivery subject to the rules of a commodity market regulated by the U.S. commodity
9 futures trading commission if upon the sale the commodity is not removed from the
10 warehouse the sale of tangible personal property, items or property under s. 77.52
11 (1) (b) or (c), and services that are exempt under s. 77.54 (7), (7m), (8), (10), (11), (14),
12 (15), (17), (20n), (21), (22b), (30), (31), (32), (35), (36), (37), (42), (44), (45), (46), (51),
13 and (52), except as provided in s. 77.54 (30) (e) and (f).

14 **SECTION 9md.** 77.53 (11) of the statutes is renumbered 77.53 (11) (a) and
15 amended to read:

16 77.53 (11) (a) The certificate referred to in under sub. (10) relieves the person
17 selling the property, items or property under s. 77.52 (1) (b) or (c), or service from the
18 burden of proof of the tax otherwise applicable only if taken in good faith the seller
19 obtains a fully completed exemption certificate, or the information required to prove
20 the exemption, from a person who is engaged as a seller of tangible personal property
21 or taxable services and who holds the permit provided for by s. 77.52 (9) and who, at
22 the time of purchasing the purchaser no later than 90 days after the date of the sale
23 of the tangible personal property, items or property under s. 77.52 (1) (b) or (c), or
24 taxable service, intends to sell it in the regular course of operations or is unable to
25 ascertain at the time of purchase whether the property or service will be sold or will

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

16 **SECTION 9me.** 77.53 (11) (b) of the statutes is created to read:

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

23 **SECTION 9mf.** 77.53 (12) of the statutes is amended to read:

24 77.53 (12) If a purchaser who gives a certificate makes any storage or use of
25 the property, items or property under s. 77.52 (1) (b) or (c), or service other than

1 retention, demonstration, or display while holding it for sale in the regular course
2 of operations as a seller, the storage or use is taxable as of the time the property, items
3 or property under s. 77.52 (1) (b) or (c), or service is first so stored or used.

4 **SECTION 9mg.** 77.53 (14) of the statutes is amended to read:

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

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

9 77.53 (15) It is presumed that tangible personal property, items or property
10 under s. 77.52 (1) (b) or (c), or taxable services delivered outside this state to ~~a~~
11 ~~purchaser known by the retailer to be~~ a resident of this state were purchased from
12 a retailer for storage, use, or other consumption in this state and stored, used, or
13 otherwise consumed in this state. ~~This presumption may be controverted by a~~
14 ~~written statement, signed by the purchaser or an authorized representative, and~~
15 ~~retained by the seller that the property or service was purchased for use at a~~
16 ~~designated point outside this state.~~ This presumption may also be controverted by
17 other evidence satisfactory to the department that the property, item, or service was
18 not purchased for storage, use, or other consumption in this state.

19 **SECTION 9mi.** 77.53 (16) of the statutes is amended to read:

20 77.53 (16) If the purchase, rental or lease of tangible personal property, items
21 or property under s. 77.52 (1) (b) or (c), or service subject to the tax imposed by this
22 section was subject to a sales tax by another state in which the purchase was made,
23 the amount of sales tax paid the other state shall be applied as a credit against and
24 deducted from the tax, to the extent thereof, imposed by this section, except no credit
25 may be applied against and deducted from a sales tax paid on the purchase of direct

1 mail, if the direct mail purchaser did not provide to the seller a direct pay permit, a
2 direct mail form, or other information that indicates the appropriate taxing
3 jurisdiction to which the direct mail is delivered to the ultimate recipients. In this
4 subsection "sales tax" includes a use or excise tax imposed on the use of tangible
5 personal property, items or property under s. 77.52 (1) (b) or (c), or taxable service
6 by the state in which the sale occurred and "state" includes the District of Columbia
7 ~~but does not include~~ and the commonwealth of Puerto Rico ~~or~~ but does not include
8 the several territories organized by congress.

9 **SECTION 9mj.** 77.53 (17) of the statutes, as affected by 2007 Wisconsin Act 11,
10 is amended to read:

11 77.53 (17) This section does not apply to tangible personal property or items
12 or property under s. 77.52 (1) (b) or (c) purchased outside this state, as determined
13 under s. 77.522, other than motor vehicles, boats, snowmobiles, recreational
14 vehicles, as defined in s. 340.01 (48r), trailers, semitrailers, all-terrain vehicles and
15 airplanes registered or titled or required to be registered or titled in this state, which
16 is brought into this state by a nondomiciliary for the person's own storage, use or
17 other consumption while temporarily within this state when such property or item
18 is not stored, used or otherwise consumed in this state in the conduct of a trade,
19 occupation, business or profession or in the performance of personal services for
20 wages or fees.

21 **SECTION 9mk.** 77.53 (17m) of the statutes is amended to read:

22 77.53 (17m) This section does not apply to a boat purchased in a state
23 contiguous to this state, as determined under s. 77.522, by a person domiciled in that
24 state if the boat is berthed in this state's boundary waters adjacent to the state of the

1 domicile of the purchaser and if the transaction was an exempt occasional sale under
2 the laws of the state in which the purchase was made.

3 **SECTION 9mL.** 77.53 (17r) (a) of the statutes is amended to read:

4 77.53 (17r) (a) It is purchased in another state, as determined under s. 77.522.

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

7 77.53 (18) This section does not apply to the storage, use or other consumption
8 in this state of household goods or items or property under s. 77.52 (1) (b) or (c) for
9 personal use or to aircraft, motor vehicles, boats, snowmobiles, mobile homes,
10 manufactured homes, as defined in s. 101.91 (2), recreational vehicles, as defined in
11 s. 340.01 (48r), trailers, semitrailers and all-terrain vehicles, for personal use,
12 purchased by a nondomiciliary of this state outside this state, as determined under
13 s. 77.522, 90 days or more before bringing the goods, items, or property into this state
14 in connection with a change of domicile to this state.

15 **SECTION 9mn.** 77.54 (1) of the statutes is amended to read:

16 77.54 (1) The ~~gross receipts~~ sales price from the sale of and the storage, use or
17 other consumption in this state of tangible personal property, items and property
18 under s. 77.52 (1) (b) and (c) and services the ~~gross receipts~~ sales price from the sale
19 of which, or the storage, use or other consumption of which, this state is prohibited
20 from taxing under the constitution or laws of the United States or under the
21 constitution of this state.

22 **SECTION 9mo.** 77.54 (2) of the statutes is amended to read:

23 77.54 (2) The ~~gross receipts~~ sales price from sales of and the storage, use or
24 other consumption of tangible personal property becoming an ingredient or
25 component part of an article of tangible personal property or which is consumed or

1 destroyed or loses its identity in the manufacture of tangible personal property in
2 any form destined for sale, except as provided in sub. (30) (a) 6.

3 **SECTION 9mp.** 77.54 (2m) of the statutes is amended to read:

4 77.54 (2m) The ~~gross receipts~~ sales price from the sales of and the storage, use
5 or other consumption of tangible personal property or services that become an
6 ingredient or component of shoppers guides, newspapers or periodicals or that are
7 consumed or lose their identity in the manufacture of shoppers guides, newspapers
8 or periodicals, whether or not the shoppers guides, newspapers or periodicals are
9 transferred without charge to the recipient. In this subsection, "shoppers guides",
10 "newspapers" and "periodicals" have the meanings under sub. (15). The exemption
11 under this subdivision does not apply to advertising supplements that are not
12 newspapers.

13 **SECTION 9mq.** 77.54 (3) (a) of the statutes, as affected by 2005 Wisconsin Act
14 366, is amended to read:

15 77.54 (3) (a) The ~~gross receipts~~ sales price from the sales of and the storage, use,
16 or other consumption of tractors and machines, including accessories, attachments,
17 and parts, lubricants, nonpowered equipment, and other tangible personal property
18 that are used exclusively and directly, or are consumed or lose their identities, in the
19 business of farming, including dairy farming, agriculture, horticulture, floriculture,
20 silviculture, and custom farming services, but excluding automobiles, trucks, and
21 other motor vehicles for highway use; excluding personal property that is attached
22 to, fastened to, connected to, or built into real property or that becomes an addition
23 to, component of, or capital improvement of real property; and excluding tangible
24 personal property used or consumed in the erection of buildings or in the alteration,
25 repair or improvement of real property, regardless of any contribution that that

1 personal property makes to the production process in that building or real property
2 and regardless of the extent to which that personal property functions as a machine,
3 except as provided in par. (c).

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

6 77.54 (3m) (intro.) The ~~gross receipts~~ sales price from the sale of and the
7 storage, use or other consumption of the following items if they are used exclusively
8 by the purchaser or user in the business of farming; including dairy farming,
9 agriculture, horticulture, floriculture, silviculture, and custom farming services:

10 **SECTION 9ms.** 77.54 (4) of the statutes is amended to read:

11 77.54 (4) ~~Gross receipts~~ The sales price from the sale of tangible personal
12 property and items and property under s. 77.52 (1) (b) and (c), and the storage, use
13 or other consumption in this state of tangible personal property and items and
14 property under s. 77.52 (1) (b) and (c) which is the subject of any such sale, by any
15 elementary school or secondary school, exempted as such from payment of income or
16 franchise tax under ch. 71, whether public or private.

17 **SECTION 9mt.** 77.54 (5) (intro.) of the statutes is amended to read:

18 77.54 (5) (intro.) The ~~gross receipts~~ sales price from the sale of and the storage,
19 use or other consumption of:

20 **SECTION 9mv.** 77.54 (6) (intro.) of the statutes is amended to read:

21 77.54 (6) (intro.) The ~~gross receipts~~ sales price from the sale of and the storage,
22 use or other consumption of:

23 **SECTION 9mw.** 77.54 (7m) of the statutes is amended to read:

24 77.54 (7m) Occasional sales of tangible personal property, items or property
25 under s. 77.52 (1) (b) and (c), or services, including admissions or tickets to an event;

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

14 **SECTION 9nb.** 77.54 (8) of the statutes is amended to read:

15 77.54 (8) Charges for ~~interest, financing or insurance, not including contracts~~
16 under s. 77.52 (2) (a) 13m., where such charges are separately set forth upon the
17 invoice given by the seller to the purchaser.

18 **SECTION 9nc.** 77.54 (9) of the statutes is amended to read:

19 77.54 (9) The ~~gross receipts~~ sales price from sales of tickets or admissions to
20 public and private elementary and secondary school activities, where the entire net
21 proceeds therefrom are expended for educational, religious or charitable purposes.

22 **SECTION 9nd.** 77.54 (9a) (intro.) of the statutes is amended to read:

23 77.54 (9a) (intro.) The ~~gross receipts~~ sales price from sales to, and the storage
24 by, use by or other consumption of tangible personal property, items and property
25 under s. 77.52 (1) (b) and (c), and taxable services by: