

2009 DRAFTING REQUEST

Bill

Received: **06/04/2009**

Received By: **jkreye**

Wanted: **As time permits**

Identical to LRB:

For: **Gary Sherman (608) 266-7690**

By/Representing: **chris**

This file may be shown to any legislator: **NO**

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Tax, Other - sales**

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Sherman@legis.wisconsin.gov**

Carbon copy (CC:) to: **joseph.kreye@legis.wisconsin.gov**

Pre Topic:

No specific pre topic given

Topic:

Sales and use tax exemption for fuel used in a commercial fishing vessel

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?				_____			S&L Tax
/1	jkreye 06/09/2009	bkraft 06/10/2009	rschluet 06/10/2009	_____	mbarman 06/10/2009	sbasford 06/30/2009	

FE Sent For: **"1" @ intro. 9/25/09**

<END>

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1?	jkreye	1/1 bjk 6/10		_____	_____		
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FE Sent For:

<END>

STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU

LRB

Research (608-266-0341)

Library (608-266-7040)

Legal (608-266-3561)

LRB

6-4-09

Rep. Memoran —

rela and use tax
fuel tax exemption for commercial
biting vessels

sending cc memo via e-mail

Kreye, Joseph

From: Young Eagle, Christopher
Sent: Thursday, June 04, 2009 12:22 PM
To: Kreye, Joseph
Subject: Leg. Council memo on Commercial Fishing Vessels

Attachments: LFB memo.pdf



LFB memo.pdf (65
KB)

Here is the memo on the Sales and Use Tax Fuel Exemption for Commercial Fishing Vessels.

Thanks,

Chris



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

April 3, 2009

TO: Representative Robin Vos
Room 105 West, State Capitol

FROM: Sean Moran, Fiscal Analyst

SUBJECT: Sales and Use Tax Fuel Exemption for Commercial Fishing Vessels

At your request, I am providing information regarding a proposed exemption from the sales and use tax for fuel used by commercial fishing vessels with a burden rate of less than 50 tons.

Under current law, the state sales and use tax is imposed generally on tangible personal property and is imposed selectively on services. Motor fuel which is not subject to the motor vehicle fuel tax, such as fuel used by boats, is generally subject to the state sales and use tax. Current law provides certain exemptions from the sales and use tax for certain uses of motor fuel, such as fuel sold for use in this state by commercial vessels and barges of at least a 50-ton burden primarily engaged in interstate or foreign commerce or commercial fishing.

Under current law, no person may conduct commercial fishing operations on any of the outlying waters unless the person is issued a commercial fishing license by the Department of Natural Resources (DNR). DNR may limit the number of licenses issued and designate the areas in the outlying waters under the jurisdiction of this state where commercial fishing operations are restricted. DNR currently issues 62 commercial fishing licenses (61 resident and 1 non-resident) operating 51 commercial fishing vessels, 50 of which were powered by diesel fuel. Of the 51 commercial fishing vessels licensed with the state, only three qualify for the fuel exemption for commercial vessels of 50-ton burden.

Under the proposal, fuel used by commercial fishing vessels captained by a person possessing a commercial fishing license with the state would be exempt from the state sales and use tax. It is estimated that the proposal would reduce state tax revenue by a minimal amount.

I hope this information responds to your request. Please contact me if you have any additional questions.

SM/sas



Lbjk

2009 BILL

SA
x-ref

in 6-9-09

1 AN ACT ^{gen.}...; relating to: a sales tax exemption for fuel used for commercial fishing.

Analysis by the Legislative Reference Bureau

This bill creates a sales tax exemption for fuel used in a commercial fishing vessel that is operated by a person who holds a valid commercial fishing license.

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

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

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

2 SECTION 1. 77.54 (30) (a) 8. of the statutes is created to read:

3 77.54 (30) (a) 8. Fuel sold for use in a commercial fishing vessel that is operated
4 by a person who holds a valid commercial fishing license under s. 29.519.

5 SECTION 2. Effective date.

Basford, Sarah

From: Sherman, Gary
Sent: Tuesday, June 30, 2009 1:38 PM
To: LRB.Legal
Cc: Hoey, Joseph; Tribys, Eleanora
Subject: Draft Review: LRB 09-2980/1 Topic: Sales and use tax exemption for fuel used in a commercial fishing vessel

Please Jacket LRB 09-2980/1 for the ASSEMBLY.