

1           **SECTION 127.** 77.51 (21m) of the statutes, as affected by 2009 Wisconsin Act ...  
2 (this act), is renumbered 77.51 (5f) and amended to read:

3           77.51 (5f) ~~“Telecommunications and Internet access services”~~ means sending  
4 messages and information transmitted through the use of local, toll and wide-area  
5 telephone service; channel services; telegraph services; teletypewriter; computer  
6 exchange services; cellular mobile telecommunications service; specialized mobile  
7 radio; stationary two-way radio; paging service; or any other form of mobile and  
8 portable one-way or two-way communications; or any other transmission of  
9 messages or information by electronic or similar means between or among points by  
10 wire, cable, fiber optics, laser, microwave, radio, satellite or similar facilities.  
11 ~~“Telecommunications and Internet access services”~~ does not include sending collect  
12 ~~telecommunications that are received outside of the state~~ telecommunications  
13 services to the extent that such services are taxable under s. 77.52 (2) (a) 5. am.

14           **SECTION 128.** 77.51 (21n) of the statutes is created to read:

15           77.51 (21n) “Telecommunications services” means electronically transmitting,  
16 conveying, or routing voice, data, audio, video, or other information or signals to a  
17 point or between or among points. “Telecommunications services” includes the  
18 transmission, conveyance, or routing of such information or signals in which  
19 computer processing applications are used to act on the content’s form, code, or  
20 protocol for transmission, conveyance, or routing purposes, regardless of whether  
21 the service is referred to as a voice over Internet protocol service or classified by the  
22 federal communications commission as an enhanced or value-added nonvoice data  
23 service. “Telecommunications services” does not include any of the following:

24           (a) Data processing and information services that allow data to be generated,  
25 acquired, stored, processed, or retrieved and delivered to a purchaser by an electronic

1 transmission, if the purchaser's primary purpose for the underlying transaction is  
2 the processed data.

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

4 (c) Tangible personal property.

5 (d) Advertising, including directory advertising.

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

7 (f) Internet access services.

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

13 (h) Ancillary services.

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

16 **SECTION 129.** 77.51 (21p) of the statutes is created to read:

17 77.51 (21p) "Tobacco" means cigarettes, cigars, chewing tobacco, pipe tobacco,  
18 and any other item that contains tobacco.

19 **SECTION 130.** 77.51 (21q) of the statutes is created to read:

20 77.51 (21q) "Transferred electronically" means accessed or obtained by the  
21 purchaser by means other than tangible storage media.

22 **SECTION 131.** 77.51 (22) (a) of the statutes is amended to read:

23 77.51 (22) (a) "Use" includes the exercise of any right or power over tangible  
24 personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), or  
25 taxable services incident to the ownership, possession or enjoyment of the property,

1 items, goods, or services, or the results produced by the services, including  
2 installation or affixation to real property and including the possession of, or the  
3 exercise of any right or power over tangible personal property, or items, property, or  
4 goods under s. 77.52 (1) (b), (c), or (d), by a lessee under a lease, except that “use” does  
5 not include the activities under sub. (18).

6 **SECTION 132.** 77.51 (22) (b) of the statutes is amended to read:

7 77.51 (22) (b) In this subsection “enjoyment” includes a purchaser’s right to  
8 direct the disposition of property or items, property, or goods under s. 77.52 (1) (b),  
9 (c), or (d), whether or not the purchaser has possession of the property, items, or  
10 goods. “Enjoyment” also includes, but is not limited to, having shipped into this state  
11 by an out-of-state supplier printed material which is designed to promote the sale  
12 of property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), or services,  
13 or which is otherwise related to the business activities, of the purchaser of the  
14 printed material or printing service.

15 **SECTION 133.** 77.51 (22) (bm) of the statutes is created to read:

16 77.51 (22) (bm) In this subsection, “exercise of any right or power over tangible  
17 personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), or  
18 taxable services” includes distributing, selecting recipients, determining mailing  
19 schedules, or otherwise directing the distribution, dissemination, or disposal of  
20 tangible personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or  
21 (d), or taxable services, regardless of whether the purchaser of such property, items,  
22 goods, or services owns or physically possesses, in this state, the property, items,  
23 goods, or services.

24 **SECTION 134.** 77.51 (24) of the statutes is created to read:

1           77.51 (24) "Value-added nonvoice data service" means a service in which  
2 computer processing applications are used to act on the form, content, code, or  
3 protocol of the data provided by the service and are used primarily for a purpose other  
4 than for transmitting, conveying, or routing data.

5           **SECTION 135.** 77.51 (25) of the statutes is created to read:

6           77.51 (25) "Vertical service" means an ancillary service that is provided with  
7 one or more telecommunications services and allows customers to identify callers  
8 and to manage multiple calls and call connections, including conference bridging  
9 services.

10          **SECTION 136.** 77.51 (26) of the statutes is created to read:

11          77.51 (26) "Voice mail service" means an ancillary service that allows a  
12 customer to store, send, or receive recorded messages, not including any vertical  
13 service that the customer must have to use the voice mail service.

14          **SECTION 137.** 77.52 (1) of the statutes is renumbered 77.52 (1) (a) and amended  
15 to read:

16          77.52 (1) (a) For the privilege of selling, licensing, leasing or renting tangible  
17 personal property, including accessories, components, attachments, parts, supplies  
18 and materials, at retail a tax is imposed upon all retailers at the rate of 5% of the  
19 ~~gross receipts~~ sales price from the sale, license, lease or rental of tangible personal  
20 property, including accessories, components, attachments, parts, supplies and  
21 materials, sold, leased or rented at retail in this state, as determined under s. 77.522.

22          **SECTION 138.** 77.52 (1) (b) of the statutes is created to read:

23          77.52 (1) (b) For the privilege of selling at retail coins and stamps of the United  
24 States that are sold or traded as collectors' items above their face value, a tax is

1 imposed on all retailers at the rate of 5 percent of the sales price from the sale of such  
2 coins and stamps.

3 **SECTION 139.** 77.52 (1) (c) of the statutes is created to read:

4 77.52 (1) (c) For the privilege of leasing property that is affixed to real property,  
5 a tax is imposed on all retailers at the rate of 5 percent of the sales price from the lease  
6 of such property, if the lessor has the right to remove the leased property upon breach  
7 or termination of the lease agreement, unless the lessor of the leased property is also  
8 the lessor of the real property to which the leased property is affixed.

9 **SECTION 140.** 77.52 (1) (d) of the statutes is created to read:

10 77.52 (1) (d) A tax is imposed on all retailers at the rate of 5 percent of the sales  
11 price from the sale, lease, license, or rental of specified digital goods and additional  
12 digital goods at retail for the right to use the specified digital goods or additional  
13 digital goods on a permanent or less than permanent basis and regardless of whether  
14 the purchaser is required to make continued payments for such right.

15 **SECTION 141.** 77.52 (1b) of the statutes is repealed and recreated to read:

16 77.52 (1b) All sales, licenses, leases, or rentals of tangible personal property  
17 or items, property, or goods under sub. (1) (b), (c), or (d) at retail in this state are  
18 subject to the tax imposed under sub. (1) unless an exemption in this subchapter  
19 applies.

20 **SECTION 142.** 77.52 (2) (intro.) of the statutes is amended to read:

21 77.52 (2) (intro.) For the privilege of selling, licensing, performing or furnishing  
22 the services described under par. (a) at retail in this state, as determined under s.  
23 77.522, to consumers or users, regardless of whether the consumer or user has the  
24 right of permanent use or less than the right of permanent use and regardless of  
25 whether the service is conditioned on continued payment from the purchaser, a tax

1 is imposed upon all persons selling, licensing, performing or furnishing the services  
2 at the rate of 5% of the ~~gross receipts~~ sales price from the sale, license, performance  
3 or furnishing of the services.

4 **SECTION 143.** 77.52 (2) (a) 5. a. of the statutes is amended to read:

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

14 **SECTION 144.** 77.52 (2) (a) 5. a. of the statutes, as affected by 2009 Wisconsin  
15 Act .... (this act), is amended to read:

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

25 **SECTION 145.** 77.52 (2) (a) 5. am. of the statutes is created to read:

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

3           **SECTION 146.** 77.52 (2) (a) 5. b. of the statutes is repealed.

4           **SECTION 147.** 77.52 (2) (a) 5. c. of the statutes is created to read:

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

7           **SECTION 148.** 77.52 (2) (a) 5m. of the statutes is amended to read:

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

15           **SECTION 149.** 77.52 (2) (a) 10. of the statutes is amended to read:

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

1 other than the exempt sale of a motor vehicle or truck body to a nonresident under  
2 s. 77.54 (5) (a) and other than nontaxable sales under s. ~~77.51 (14r)~~ 77.522 or unless  
3 the repair, service, alteration, fitting, cleaning, painting, coating, towing, inspection,  
4 or maintenance is provided under a contract that is subject to tax under subd. 13m.  
5 The tax imposed under this subsection applies to the repair, service, alteration,  
6 fitting, cleaning, painting, coating, towing, inspection, or maintenance of items listed  
7 in par. (ag), regardless of whether the installation or application of tangible personal  
8 property or items, property, or goods under s. 77.52 (1) (b), (c), or (d) related to the  
9 items is an addition to or a capital improvement of real property, except that the tax  
10 imposed under this subsection does not apply to the original installation or the  
11 complete replacement of an item listed in par. (ag), if that installation or replacement  
12 is a real property construction activity under s. 77.51 (2).

13 **SECTION 150.** 77.52 (2) (a) 11. of the statutes, as affected by 2007 Wisconsin Act  
14 20, is amended to read:

15 77.52 (2) (a) 11. The producing, fabricating, processing, printing, or imprinting  
16 of tangible personal property or items, property, or goods under s. 77.52 (1) (b), (c),  
17 or (d) for a consideration for consumers who furnish directly or indirectly the  
18 materials used in the producing, fabricating, processing, printing, or imprinting.  
19 This subdivision does not apply to the printing or imprinting of tangible personal  
20 property or items, property, or goods under s. 77.52 (1) (b), (c), or (d) that results in  
21 printed material, catalogs, or envelopes that are exempt under s. 77.54 (25) or (25m).

22 **SECTION 151.** 77.52 (2) (a) 13m. of the statutes is created to read:

23 77.52 (2) (a) 13m. The sale of contracts, including service contracts,  
24 maintenance agreements, computer software maintenance contracts for prewritten  
25 computer software, and warranties, that provide, in whole or in part, for the future



1 performance of or payment for the repair, service, alteration, fitting, cleaning,  
2 painting, coating, towing, inspection, or maintenance of tangible personal property  
3 or items, property, or goods under s. 77.52 (1) (b), (c), or (d), unless the sale, license,  
4 lease, or rental in this state of the property, items, or goods to which the contract  
5 relates is or was exempt, to the purchaser of the contract, from taxation under this  
6 subchapter.

7 **SECTION 152.** 77.52 (2m) (a) of the statutes is amended to read:

8 77.52 (2m) (a) With respect to the services subject to tax under sub. (2), no part  
9 of the charge for the service may be deemed a sale or rental of tangible personal  
10 property or items, property, or goods under sub. (1) (b), (c), or (d) if the property, items,  
11 or goods transferred by the service provider is are incidental to the selling,  
12 performing or furnishing of the service, except as provided in par. (b).

13 **SECTION 153.** 77.52 (2m) (b) of the statutes is amended to read:

14 77.52 (2m) (b) With respect to the services subject to tax under sub. (2) (a) 7.,  
15 10., 11. and 20., all property or items, property, or goods under s. 77.52 (1) (b), (c), or  
16 (d) physically transferred, or transferred electronically, to the customer in  
17 conjunction with the selling, performing or furnishing of the service is a sale of  
18 tangible personal property or items, property, or goods under s. 77.52 (1) (b), (c), or  
19 (d) separate from the selling, performing or furnishing of the service.

20 **SECTION 154.** 77.52 (2n) of the statutes is repealed and recreated to read:

21 77.52 (2n) The selling, licensing, performing, or furnishing of the services  
22 described under sub. (2) (a) at retail in this state, as determined under s. 77.522, is  
23 subject to the tax imposed under sub. (2) unless an exemption in this subchapter  
24 applies.

25 **SECTION 155.** 77.52 (3m) of the statutes is repealed.

1           **SECTION 156.** 77.52 (3n) of the statutes is repealed.

2           **SECTION 157.** 77.52 (4) of the statutes is amended to read:

3           77.52 (4) It is unlawful for any retailer to advertise or hold out or state to the  
4 public or to any customer, directly or indirectly, that the tax or any part thereof will  
5 be assumed or absorbed by the retailer or that it will not be added to the selling price  
6 of the property or items, property, or goods under s. 77.52 (1) (b), (c), or (d) sold or that  
7 if added it, or any part thereof, will be refunded. Any person who violates this  
8 subsection is guilty of a misdemeanor.

9           **SECTION 158.** 77.52 (6) of the statutes is repealed.

10          **SECTION 159.** 77.52 (7) of the statutes is amended to read:

11          77.52 (7) Every person desiring to operate as a seller within this state who  
12 holds a valid certificate under s. 73.03 (50) shall file with the department an  
13 application for a permit for each place of operations. Every application for a permit  
14 shall be made upon a form prescribed by the department and shall set forth the name  
15 under which the applicant intends to operate, the location of the applicant's place of  
16 operations, and the other information that the department requires. The Except as  
17 provided in sub. (7b), the application shall be signed by the owner if a sole proprietor;  
18 in the case of sellers other than sole proprietors, the application shall be signed by  
19 the person authorized to act on behalf of such sellers. A nonprofit organization that  
20 has ~~gross receipts~~ a sales price taxable under s. 77.54 (7m) shall obtain a seller's  
21 permit and pay taxes under this subchapter on all taxable ~~gross receipts~~ sales prices  
22 received after it is required to obtain that permit. If that organization becomes  
23 eligible later for the exemption under s. 77.54 (7m) except for its possession of a  
24 seller's permit, it may surrender that permit.

25          **SECTION 160.** 77.52 (7b) of the statutes is created to read:

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

4           **SECTION 161.** 77.52 (12) of the statutes is amended to read:

5           77.52 (12) A person who operates as a seller in this state without a permit or  
6           after a permit has been suspended or revoked or has expired, unless the person has  
7           a temporary permit under sub. (11), and each officer of any corporation, partnership  
8           member, limited liability company member, or other person authorized to act on  
9           behalf of a seller who so operates, is guilty of a misdemeanor. Permits shall be held  
10          only by persons actively operating as sellers of tangible personal property, or items,  
11          property, or goods under sub. (1) (b), (c), or (d), or taxable services. Any person not  
12          so operating shall forthwith surrender that person's permit to the department for  
13          cancellation. The department may revoke the permit of a person found not to be  
14          actively operating as a seller of tangible personal property, or items, property, or  
15          goods under sub. (1) (b), (c), or (d), or taxable services.

16          **SECTION 162.** 77.52 (13) of the statutes is amended to read:

17          77.52 (13) For the purpose of the proper administration of this section and to  
18          prevent evasion of the sales tax it shall be presumed that all receipts are subject to  
19          the tax until the contrary is established. The burden of proving that a sale of tangible  
20          personal property, or items, property, or goods under sub. (1) (b), (c), or (d), or services  
21          is not a taxable sale at retail is upon the person who makes the sale unless that  
22          person takes from the purchaser ~~a~~ an electronic or a paper certificate, in a manner  
23          prescribed by the department, to the effect that the property, item, good, or service  
24          is purchased for resale or is otherwise exempt; ~~;~~ except that no certificate is required  
25          for sales of cattle, sheep, goats, and pigs that are sold at an animal market, as defined

1 in s. 95.68 (1) (ag), and no certificate is required for sales of commodities, as defined  
2 in 7 USC 2, that are consigned for sale in a warehouse in or from which the  
3 commodity is deliverable on a contract for future delivery subject to the rules of a  
4 commodity market regulated by the U.S. commodity futures trading commission if  
5 upon the sale the commodity is not removed from the warehouse the sale of tangible  
6 personal property, or items, property, or goods under sub. (1) (b), (c), or (d), or services  
7 that are exempt under s. 77.54 (7), (7m), (8), (10), (11), (14), (15), (17), (20n), (21),  
8 (22b), (31), (32), (35), (36), (37), (42), (44), (45), (46), (51), and (52).

9 SECTION 163. 77.52 (14) (a) (intro.) and 1. and (b) of the statutes are  
10 consolidated, renumbered 77.52 (14) (a) and amended to read:

11 77.52 (14) (a) The certificate referred to in sub. (13) relieves the seller from the  
12 burden of proof of the tax otherwise applicable only if any of the following is true:  
13 1. The certificate is taken in good faith the seller obtains a fully completed exemption  
14 certificate, or the information required to prove the exemption, from a person who  
15 is engaged as a seller of tangible personal property or taxable services and who holds  
16 the permit provided for in sub. (9) and who, at the time of purchasing purchaser no  
17 later than 90 days after the date of the sale of the tangible personal property, or items,  
18 property, or goods under sub. (1) (b), (c), or (d), or services, intends to sell it in the  
19 regular course of operations or is unable to ascertain at the time of purchase whether  
20 the property or service will be sold or will be used for some other purpose. (b) except  
21 as provided in par. (am). The certificate under sub. (13) shall not relieve the seller  
22 of the tax otherwise applicable if the seller fraudulently fails to collect sales tax,  
23 solicits the purchaser to claim an unlawful exemption, or accepts an exemption  
24 certificate from a purchaser who claims to be an entity that is not subject to the taxes  
25 imposed under this subchapter, if the subject of the transaction sought to be covered

1 by the exemption certificate is received by the purchaser at a location operated by the  
2 seller in this state and the exemption certificate clearly and affirmatively indicates  
3 that the claimed exemption is not available in this state. The certificate referred to  
4 in sub. (13) shall be signed by and bear the name and address of provide information  
5 that identifies the purchaser, and shall indicate the general character of the tangible  
6 personal property or service sold by the purchaser and the basis for the claimed  
7 exemption and a paper certificate shall be signed by the purchaser. The certificate  
8 shall be in such form as the department prescribes by rule.

9 **SECTION 164.** 77.52 (14) (a) 2. of the statutes is repealed.

10 **SECTION 165.** 77.52 (14) (am) of the statutes is created to read:

11 77.52 (14) (am) If the seller has not obtained a fully completed exemption  
12 certificate or the information required to prove the exemption, as provided in par. (a),  
13 the seller may, no later than 120 days after the department requests that the seller  
14 substantiate the exemption, either provide proof of the exemption to the department  
15 by other means or obtain, in good faith, a fully completed exemption certificate from  
16 the purchaser.

17 **SECTION 166.** 77.52 (14) (bm) of the statutes is created to read:

18 77.52 (14) (bm) A certified service provider is relieved from liability for the tax  
19 otherwise applicable to the same extent as the seller, who is the certified service  
20 provider's client, is relieved from liability for the tax otherwise applicable under par.  
21 (a) or (am).

22 **SECTION 167.** 77.52 (15) of the statutes is amended to read:

23 77.52 (15) If a purchaser who gives a resale certificate purchases tangible  
24 personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), or  
25 taxable services without paying a sales tax or use tax on such purchase because such

1 property, items, goods, or services were for resale makes any use of the property,  
2 items, goods, or services other than retention, demonstration or display while  
3 holding it the property, items, goods, or services for sale, lease or rental in the regular  
4 course of the purchaser's operations, the use shall be taxable to the purchaser under  
5 s. 77.53 as of the time that the property is, items, goods, or services are first used by  
6 the purchaser, and the sales purchase price of the property, items, goods, or services  
7 to the purchaser shall be the measure of the tax. ~~Only when there is an unsatisfied~~  
8 ~~use tax liability on this basis because the seller has provided incorrect information~~  
9 ~~about that transaction to the department shall the seller be liable for sales tax with~~  
10 ~~respect to the sale of the property to the purchaser.~~

11 **SECTION 168.** 77.52 (16) of the statutes is amended to read:

12 77.52 (16) Any person who gives a resale certificate for property, or items,  
13 property, or goods under sub. (1) (b), (c), or (d), or services which that person knows  
14 at the time of purchase is not to be resold by that person in the regular course of that  
15 person's operations as a seller for the purpose of evading payment to the seller of the  
16 amount of the tax applicable to the transaction is guilty of a misdemeanor. Any  
17 person certifying to the seller that the sale of property, or items, property, or goods  
18 under sub. (1) (b), (c), or (d), or taxable service is exempt, knowing at the time of  
19 purchase that it is not exempt, for the purpose of evading payment to the seller of the  
20 amount of the tax applicable to the transaction, is guilty of a misdemeanor.

21 **SECTION 169.** 77.52 (17m) (b) 6. of the statutes is amended to read:

22 77.52 (17m) (b) 6. The applicant purchases enough tangible personal property  
23 or items, property, or goods under s. 77.52 (1) (b), (c), or (d) under circumstances that  
24 make it difficult to determine whether the property, items, or goods will be subject  
25 to a tax under this subchapter.

1           **SECTION 170.** 77.52 (19) of the statutes is amended to read:

2           **77.52 (19)** The department shall by rule provide for the efficient collection of  
3 the taxes imposed by this subchapter on sales of tangible personal property, or items,  
4 property, or goods under sub. (1) (b), (c), or (d), or services by persons not regularly  
5 engaged in selling at retail in this state or not having a permanent place of business,  
6 but who are temporarily engaged in selling from trucks, portable roadside stands,  
7 concessions at fairs and carnivals, and the like. The department may authorize such  
8 persons to sell property or items, property or goods under sub. (1) (b), (c), or (d) or sell,  
9 perform, or furnish services on a permit or nonpermit basis as the department by rule  
10 prescribes and failure of any person to comply with such rules constitutes a  
11 misdemeanor.

12           **SECTION 171.** 77.52 (20) of the statutes is created to read:

13           **77.52 (20) (a)** Except as provided in par. (b), the entire sales price of a bundled  
14 transaction is subject to the tax imposed under this subchapter.

15           (b) At the retailer's option, if the retailer can identify, by reasonable and  
16 verifiable standards from the retailer's books and records that are kept in the  
17 ordinary course of its business for other purposes, including purposes unrelated to  
18 taxes, the portion of the price that is attributable to products that are not subject to  
19 the tax imposed under this subchapter, that portion of the sales price is not taxable  
20 under this subchapter. This paragraph does not apply to a bundled transaction that  
21 contains food and food ingredients, drugs, durable medical equipment, mobility  
22 enhancing equipment, prosthetic devices, or medical supplies.

23           **SECTION 172.** 77.52 (21) of the statutes is created to read:

24           **77.52 (21)** A person who provides a product that is not a distinct and  
25 identifiable product because it is provided free of charge, as provided in s. 77.51 (3pf)

1 (b), is the consumer of that product and shall pay the tax imposed under this  
2 subchapter on the purchase price of that product.

3 **SECTION 173.** 77.52 (22) of the statutes is created to read:

4 77.52 (22) With regard to transactions described in s. 77.51 (1f) (b), the service  
5 provider is the consumer of the tangible personal property or items, property, or  
6 goods under sub. (1) (b), (c), or (d) and shall pay the tax imposed under this  
7 subchapter on the purchase price of the property, items, or goods.

8 **SECTION 174.** 77.52 (23) of the statutes is created to read:

9 77.52 (23) With regard to transactions described in s. 77.51 (1f) (c), the service  
10 provider is the consumer of the service that is essential to the use or receipt of the  
11 other service and shall pay the tax imposed under this subchapter on the purchase  
12 price of the service that is essential to the use or receipt of the other service.

13 **SECTION 175.** 77.522 of the statutes is created to read:

14 **77.522 Sourcing.** (1) GENERAL. (a) In this section:

15 1. "Receive" means taking possession of tangible personal property or items or  
16 property under s. 77.52 (1) (b) or (c); making first use of services; or taking possession  
17 or making first use of digital goods under s. 77.52 (1) (d), whichever comes first.  
18 "Receive" does not include a shipping company taking possession of tangible  
19 personal property or items or property under s. 77.52 (1) (b) or (c) on a purchaser's  
20 behalf.

21 2. "Transportation equipment" means any of the following:

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

24 b. Trucks and truck tractors that have a gross vehicle weight rating of 10,001  
25 pounds or greater, trailers, semitrailers, and passenger buses, if such vehicles are



1 registered under the international registration plan under s. 341.405 and operated  
2 under the authority of a carrier that is authorized by the federal government to carry  
3 persons or property in interstate commerce.

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

7 d. Containers that are designed for use on the vehicles described in subd. 2. a.  
8 to c. and component parts attached to or secured on such vehicles.

9 (b) Except as provided in par. (c) and subs. (2), (3), (4), and (5), the location of  
10 a sale is determined as follows:

11 1. If a purchaser receives the product at a seller's business location, the sale  
12 is sourced to that business location.

13 2. If a purchaser does not receive the product at a seller's business location, the  
14 sale is sourced to the location where the purchaser, or the purchaser's designated  
15 donee, receives the product, including the location indicated by the instructions  
16 known to the seller for delivery to the purchaser or the purchaser's designated donee.

17 3. If the location of a sale of a product cannot be determined under subds. 1. and  
18 2., the sale is sourced to the purchaser's address as indicated by the seller's business  
19 records, if the records are maintained in the ordinary course of the seller's business  
20 and if using that address to establish the location of a sale is not in bad faith.

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

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

3           a. If the item sold is tangible personal property or an item or property under  
4 s. 77.52 (1) (b) or (c), the sale is sourced to the location from which the tangible  
5 personal property or item or property under s. 77.52 (1) (b) or (c) is shipped.

6           b. If the item sold is computer software delivered electronically, the sale is  
7 sourced to the location from which the computer software was first available for  
8 transmission by the seller, not including any location that merely provided the  
9 digital transfer of the product sold.

10          c. If a service is sold, the sale is sourced to the location from which the service  
11 was provided.

12          (c) The sale of direct mail is sourced to the location from which the direct mail  
13 is shipped, if the purchaser does not provide to the seller a direct pay permit, an  
14 exemption certificate claiming direct mail, or other information that indicates the  
15 appropriate taxing jurisdiction to which the direct mail is delivered to the ultimate  
16 recipients. If the purchaser provides an exemption certificate claiming direct mail  
17 or direct pay permit to the seller, the purchaser shall pay or remit, as appropriate,  
18 to the department the tax imposed under s. 77.53 on all purchases for which the tax  
19 is due and the seller is relieved from liability for collecting such tax. If the purchaser  
20 provides delivery information indicating the jurisdictions to which the direct mail is  
21 delivered to the recipients, the seller shall collect the tax according to the delivery  
22 information provided by the purchaser and, in the absence of bad faith, the seller  
23 shall be relieved of any further obligation to collect tax on any transaction for which  
24 the seller has collected tax pursuant to the delivery information provided by the  
25 purchaser. An exemption certificate claiming direct mail provided to a seller under

1 this paragraph shall remain effective for all sales by the seller who received the  
2 exemption certificate to the purchaser who provided the exemption certificate,  
3 unless the purchaser revokes the exemption certificate in writing and provides such  
4 revocation to the seller.

5 (2) DIGITAL GOODS. (a) The location of a sale of a digital good under s. 77.52 (1)  
6 (d) is determined as follows:

7 1. If a purchaser receives the digital good at a seller's business location, the  
8 sale is sourced to that business location.

9 2. If a purchaser does not receive the digital good at a seller's business location,  
10 the sale is sourced to the location where the purchaser, or the purchaser's designated  
11 donee, receives the digital good, including the location indicated by the instructions  
12 known to the seller for delivery to the purchaser or the purchaser's designated donee.

13 3. If the location of a sale of the digital good cannot be determined under subd.  
14 1. or 2., the sale is sourced to the purchaser's address as indicated by the seller's  
15 business records, if the records are maintained in the ordinary course of the seller's  
16 business and if using that address to establish the location of the sale is not in bad  
17 faith.

18 4. If the location of a sale of the digital good cannot be determined under subd.  
19 1., 2., or 3., the sale is sourced to the purchaser's address as obtained during the  
20 consummation of the sale, including the address indicated on the purchaser's  
21 payment instrument, if no other address is available and if using that address is not  
22 in bad faith.

23 5. If the location of a sale of the digital good cannot be determined under subd.  
24 1., 2., 3., or 4., including the circumstance in which the seller has insufficient  
25 information to determine the location under subd. 1., 2., 3., or 4., the sale is sourced

1 to the location from which the digital good was first available for transmission by the  
2 seller, not including any location from which the digital good was merely transferred  
3 electronically.

4 (b) The location of a license of a digital good under s. 77.52 (1) (d) is determined  
5 as follows:

6 1. With regard to the first or only payment on the license of the digital good,  
7 the license is sourced to the location determined under par. (a).

8 2. If the digital good is moved from the place where the digital good was initially  
9 delivered, the subsequent periodic payments on the license are sourced to the digital  
10 good's primary location as indicated by an address for the digital good that is  
11 provided by the licensee and that is available to the licensor in records that the  
12 licensor maintains in the ordinary course of the licensor's business, if the use of such  
13 an address does not constitute bad faith. The location of a license as determined  
14 under this paragraph shall not be altered by any intermittent use of the digital good  
15 at different locations.

16 (3) LEASE OR RENTAL. (a) Except as provided in pars. (b) and (c), with regard  
17 to the first or only payment on the lease or rental, the lease or rental of tangible  
18 personal property or items, property, or goods under s. 77.52 (1) (b), (c), or (d) is  
19 sourced to the location determined under sub. (1) (b). If the property, item, or good  
20 is moved from the place where the property, item, or good was initially delivered, the  
21 subsequent periodic payments on the lease or rental are sourced to the property's,  
22 item's, or good's primary location as indicated by an address for the property, item,  
23 or good that is provided by the lessee and that is available to the lessor in records that  
24 the lessor maintains in the ordinary course of the lessor's business, if the use of such  
25 an address does not constitute bad faith. The location of a lease or rental as

1 determined under this paragraph shall not be altered by any intermittent use of the  
2 property, item, or good at different locations.

3 (b) The lease or rental of motor vehicles, trailers, semitrailers, and aircraft,  
4 that are not transportation equipment, is sourced to the primary location of such  
5 motor vehicles, trailers, semitrailers, or aircraft as indicated by an address for the  
6 property that is provided by the lessee and that is available to the lessor in records  
7 that the lessor maintains in the ordinary course of the lessor's business, if the use  
8 of such an address does not constitute bad faith, except that a lease or rental under  
9 this paragraph that requires only one payment is sourced to the location determined  
10 under sub. (1) (b). The location of a lease or rental as determined under this  
11 paragraph shall not be altered by any intermittent use of the property at different  
12 locations.

13 (c) The lease or rental of transportation equipment is sourced to the location  
14 determined under sub. (1) (b).

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

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

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

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

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

4           4. "Customer" means a person who enters into a contract with a seller of  
5 telecommunications services or, in any transaction for which the end user is not the  
6 person who entered into a contract with the seller of telecommunications services,  
7 the end user of the telecommunications services. "Customer" does not include a  
8 person who resells telecommunications services or, for mobile telecommunications  
9 services, a serving carrier under an agreement to serve a customer outside the home  
10 service provider's licensed service area.

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

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

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

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

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

22           10. "Postpaid calling service" means a telecommunications service that is  
23 obtained by paying for it on a call-by-call basis using a bankcard, travel card, credit  
24 card, debit card, or similar method, or by charging it to a telephone number that is  
25 not associated with the location where the telecommunications service originates or

1 terminates. "Postpaid calling service" includes a telecommunications service, not  
2 including a prepaid wireless calling service, that would otherwise be a prepaid  
3 calling service except that the service provided to the customer is not exclusively a  
4 telecommunications service.

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

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

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

11 (b) Except as provided in pars. (d) to (j), the sale of a telecommunications service  
12 that is sold on a call-by-call basis is sourced to the taxing jurisdiction for sales and  
13 use tax purposes where the call originates and terminates, in the case of a call that  
14 originates and terminates in the same such jurisdiction, or the taxing jurisdiction for  
15 sales and use tax purposes where the call originates or terminates and where the  
16 service address is located.

17 (c) Except as provided in pars. (d) to (j), the sale of a telecommunications service  
18 that is sold on a basis other than a call-by-call basis is sourced to the customer's  
19 place of primary use.

20 (d) The sale of a mobile telecommunications service, except an air-to-ground  
21 radiotelephone service and a prepaid calling service, is sourced to the customer's  
22 place of primary use.

23 (e) The sale of a postpaid calling service is sourced to the location where the  
24 signal of the telecommunications service originates, as first identified by the seller's  
25 telecommunications system or, if the signal is not transmitted by the seller's

1 telecommunications system, by information that the seller received from the seller's  
2 service provider.

3 (f) The sale of a prepaid calling service or a prepaid wireless calling service is  
4 sourced to the location determined under sub. (1) (b), except that, if the service is a  
5 prepaid wireless calling service and the location cannot be determined under sub. (1)  
6 (b) 1. to 4., the prepaid wireless calling service is sourced to the location determined  
7 under sub. (1) (b) 5. c. or at the location associated with the mobile telephone number,  
8 as determined by the seller.

9 (g) 1. The sale of a private communication service for a separate charge related  
10 to a customer channel termination point is sourced to the location of the customer  
11 channel termination point.

12 2. The sale of a private communication service in which all customer channel  
13 termination points are located entirely in one taxing jurisdiction for sales and use  
14 tax purposes is sourced to the taxing jurisdiction in which the customer channel  
15 termination points are located.

16 3. If the segments are charged separately, the sale of a private communication  
17 service that represents segments of a communications channel between 2 customer  
18 channel termination points that are located in different taxing jurisdictions for sales  
19 and use tax purposes is sourced to an equal percentage in both such jurisdictions.

20 4. If the segments are not charged separately, the sale of a private  
21 communication service for segments of a communications channel that is located in  
22 more than one taxing jurisdiction for sales and use tax purposes is sourced to each  
23 such jurisdiction in a percentage determined by dividing the number of customer  
24 channel termination points in that jurisdiction by the number of customer channel



1 termination points in all jurisdictions where segments of the communications  
2 channel are located.

3 (h) The sale of an Internet access service is sourced to the customer's place of  
4 primary use.

5 (i) The sale of an ancillary service is sourced to the customer's place of primary  
6 use.

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

11 **(5) FLORISTS.** (a) For purposes of this subsection, "retail florist" means a person  
12 engaged in the business of selling cut flowers, floral arrangements, and potted plants  
13 and who prepares such flowers, floral arrangements, and potted plants. "Retail  
14 florist" does not include a person who sells cut flowers, floral arrangements, and  
15 potted plants primarily by mail or via the Internet.

16 (b) Sales by a retail florist are sourced to the location determined by rule by the  
17 department.

18 **SECTION 176.** 77.523 (title) of the statutes is repealed.

19 **SECTION 177.** 77.523 of the statutes is renumbered 77.59 (9p) (a) and amended  
20 to read:

21 77.59 **(9p)** (a) If a customer purchases a service that is subject to 4 USC 116  
22 to 126, as amended by P.L. 106-252, and if the customer believes that the amount  
23 of the tax assessed for the service under this subchapter or the place of primary use  
24 or taxing jurisdiction assigned to the service is erroneous, the customer may request  
25 that the service provider correct the alleged error by sending a written notice to the

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

18 **SECTION 178.** 77.524 (1) (a) of the statutes is renumbered 77.524 (1) (am).

19 **SECTION 179.** 77.524 (1) (ag) of the statutes is created to read:

20 77.524 (1) (ag) "Agent" means a person appointed by a seller to represent the  
21 seller before the states that are signatories to the agreement, as defined in s. 77.65  
22 (2) (a).

23 **SECTION 180.** 77.524 (1) (b) of the statutes is renumbered 77.51 (1g) and  
24 amended to read:

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

6           **SECTION 181.** 77.525 of the statutes is amended to read:

7           **77.525 Reduction to prevent double taxation.** Any person who is subject  
8 to the tax under s. 77.52 (2) (a) 5. ~~a.~~ on telecommunications services that terminate  
9 in this state and who has paid a similar tax on the same services to another state may  
10 reduce the amount of the tax remitted to this state by an amount equal to the similar  
11 tax properly paid to another state on those services or by the amount due this state  
12 on those services, whichever is less. That person shall refund proportionally to the  
13 persons to whom the tax under s. 77.52 (2) (a) 5. ~~a.~~ was passed on an amount equal  
14 to the amounts not remitted.

15           **SECTION 182.** 77.53 (1) of the statutes is amended to read:

16           77.53 (1) Except as provided in sub. (1m), an excise tax is levied and imposed  
17 on the use or consumption in this state of taxable services under s. 77.52 purchased  
18 from any retailer, at the rate of 5% of the sales purchase price of those services; on  
19 the storage, use or other consumption in this state of tangible personal property and  
20 items or property under s. 77.52 (1) (b) or (c) purchased from any retailer, at the rate  
21 of 5% of the sales purchase price of that the property or items; on the storage, use,  
22 or other consumption of goods under s. 77.52 (1) (d) purchased from any retailer, if  
23 the purchaser has the right to use the goods on a permanent or less than permanent  
24 basis and regardless of whether the purchaser is required to make continued  
25 payments for such right, at the rate of 5 percent of the sales price of the goods; and

1 on the storage, use or other consumption of tangible personal property or items,  
2 property, or goods under s. 77.52 (1) (b), (c), or (d) manufactured, processed or  
3 otherwise altered, in or outside this state, by the person who stores, uses or consumes  
4 it, from material purchased from any retailer, at the rate of 5% of the sales purchase  
5 price of that material.

6 **SECTION 183.** 77.53 (1b) of the statutes is repealed and recreated to read:

7 77.53 (1b) The storage, use, or other consumption in this state of tangible  
8 personal property or items, property, or goods under s. 77.52 (1) (b), (c), or (d), and  
9 the use or other consumption in this state of a taxable service, purchased from any  
10 retailer is subject to the tax imposed in this section unless an exemption in this  
11 subchapter applies.

12 **SECTION 184.** 77.53 (2) of the statutes is amended to read:

13 77.53 (2) Every person storing, using, or otherwise consuming in this state  
14 tangible personal property, or items, property, or goods specified under s. 77.52 (1)  
15 (b), (c), or (d), or taxable services purchased from a retailer is liable for the tax  
16 imposed by this section. The person's liability is not extinguished until the tax has  
17 been paid to this state, but a receipt with the tax separately stated from a retailer  
18 engaged in business in this state or from a retailer who is authorized by the  
19 department, under such rules as it prescribes, to collect the tax and who is regarded  
20 as a retailer engaged in business in this state for purposes of the tax imposed by this  
21 section given to the purchaser under sub. (3) relieves the purchaser from further  
22 liability for the tax to which the receipt refers.

23 **SECTION 185.** 77.53 (3) of the statutes is amended to read:

24 77.53 (3) Every retailer engaged in business in this state and making sales of  
25 tangible personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or

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

9 **SECTION 186.** 77.53 (4) of the statutes is repealed.

10 **SECTION 187.** 77.53 (9) of the statutes is amended to read:

11 77.53 (9) Every retailer selling tangible personal property, or items, property,  
12 or goods under s. 77.52 (1) (b), (c), or (d), or taxable services for storage, use or other  
13 consumption in this state shall register with the department and obtain a certificate  
14 under s. 73.03 (50) and give the name and address of all agents operating in this  
15 state, the location of all distribution or sales houses or offices or other places of  
16 business in this state, the standard industrial code classification of each place of  
17 business in this state and the other information that the department requires. Any  
18 person who may register under this subsection may designate an agent, as defined  
19 in s. 77.524 (1) (ag), to register with the department under this subsection, in the  
20 manner prescribed by the department.

21 **SECTION 188.** 77.53 (9m) of the statutes is renumbered 77.53 (9m) (a) and  
22 amended to read:

23 77.53 (9m) (a) Any person who is not otherwise required to collect any tax  
24 imposed by this subchapter and who makes sales to persons within this state of  
25 tangible personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or

1 (d), or taxable services the use of which is subject to tax under this subchapter may  
2 register with the department under the terms and conditions that the department  
3 imposes and shall obtain a valid certificate under s. 73.03 (50) and thereby be  
4 authorized and required to collect, report, and remit to the department the use tax  
5 imposed by this subchapter.

6 **SECTION 189.** 77.53 (9m) (b) of the statutes is created to read:

7 77.53 (9m) (b) Any person who may register under par. (a) may designate an  
8 agent, as defined in s. 77.524 (1) (ag), to register with the department under par. (a),  
9 in the manner prescribed by the department.

10 **SECTION 190.** 77.53 (9m) (c) of the statutes is created to read:

11 77.53 (9m) (c) The registration under par. (a) by a person who is not otherwise  
12 required to collect any tax imposed by this subchapter shall not be used as a factor  
13 in determining whether the seller has nexus with this state for any tax at any time.

14 **SECTION 191.** 77.53 (10) of the statutes is amended to read:

15 77.53 (10) For the purpose of the proper administration of this section and to  
16 prevent evasion of the use tax and the duty to collect the use tax, it is presumed that  
17 tangible personal property, ~~or items, property, or goods~~ under s. 77.52 (1) (b), (c), or  
18 (d), or taxable services sold by any person for delivery in this state is sold for storage,  
19 use, or other consumption in this state until the contrary is established. The burden  
20 of proving the contrary is upon the person who makes the sale unless that person  
21 takes from the purchaser ~~a~~ an electronic or paper certificate, in a manner prescribed  
22 by department, to the effect that the property, ~~or items, property, or goods~~ under s.  
23 77.52 (1) (b), (c), or (d), or taxable service is purchased for resale, or otherwise exempt  
24 from the tax, ~~except that no certificate is required for sales of cattle, sheep, goats,~~  
25 ~~and pigs that are sold at an animal market, as defined in s. 95.68 (1) (ag), and no~~

1 ~~certificate is required for sales of commodities, as defined in 7 USC 2, that are~~  
2 ~~consigned for sale in a warehouse in or from which the commodity is deliverable on~~  
3 ~~a contract for future delivery subject to the rules of a commodity market regulated~~  
4 ~~by the U.S. commodity futures trading commission if upon the sale the commodity~~  
5 ~~is not removed from the warehouse~~ the sale of tangible personal property, or items,  
6 property, or goods under s. 77.52 (1) (b), (c), or (d), or services that are exempt under  
7 s. 77.54 (7), (7m), (8), (10), (11), (14), (15), (17), (20n), (21), (22b), (31), (32), (35), (36),  
8 (37), (42), (44), (45), (46), (51), and (52).

9       **SECTION 192.** 77.53 (11) of the statutes is renumbered 77.53 (11) (a) and  
10 amended to read:

11       77.53 (11) (a) ~~The certificate referred to in~~ under sub. (10) relieves the person  
12 ~~selling the property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), or~~  
13 ~~service from the burden of proof of the tax otherwise applicable only if taken in good~~  
14 ~~faith~~ the seller obtains a fully completed exemption certificate, or the information  
15 required to prove the exemption, from a person who is engaged as a seller of tangible  
16 ~~personal property or taxable services and who holds the permit provided for by s.~~  
17 ~~77.52 (9) and who, at the time of purchasing the purchaser no later than 90 days after~~  
18 ~~the date of the sale of the tangible personal property, or items, property, or goods~~  
19 ~~under s. 77.52 (1) (b), (c), or (d), or taxable service, intends to sell it in the regular~~  
20 ~~course of operations or is unable to ascertain at the time of purchase whether the~~  
21 ~~property or service will be sold or will be used for some other purpose, or if taken in~~  
22 ~~good faith from a person claiming exemption, except as provided in par. (b). The~~  
23 ~~certificate under sub. (10) shall not relieve the seller of the tax otherwise applicable~~  
24 ~~if the seller fraudulently fails to collect sales tax or solicits the purchaser to claim an~~  
25 ~~unlawful exemption, or accepts an exemption certificate from a purchaser who~~

1 claims to be an entity that is not subject to the taxes imposed under this subchapter,  
2 if the subject of the transaction sought to be covered by the exemption certificate is  
3 received by the purchaser at a location operated by the seller in this state and the  
4 exemption certificate clearly and affirmatively indicates that the claimed exemption  
5 is not available in this state. The certificate shall be signed by and bear the name  
6 and address of provide information that identifies the purchaser and shall indicate  
7 the number of the permit issued to the purchaser, the general character of tangible  
8 personal property or taxable service sold by the purchaser and the basis for the  
9 claimed exemption and a paper certificate shall be signed by the purchaser. The  
10 certificate shall be substantially in the form that the department prescribes by rule.

11 **SECTION 193.** 77.53 (11) (b) of the statutes is created to read:

12 77.53 (11) (b) If the seller has not obtained a fully completed exemption  
13 certificate or the information required to prove the exemption, as provided in par. (a),  
14 the seller may, no later than 120 days after the department requests that the seller  
15 substantiate the exemption, either provide proof of the exemption to the department  
16 by other means or obtain, in good faith, a fully completed exemption certificate from  
17 the purchaser.

18 **SECTION 194.** 77.53 (12) of the statutes is amended to read:

19 77.53 (12) If a purchaser who gives a certificate makes any storage or use of  
20 the property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), or service  
21 other than retention, demonstration, or display while holding it for sale in the  
22 regular course of operations as a seller, the storage or use is taxable as of the time  
23 the property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), or service  
24 is first so stored or used.

25 **SECTION 195.** 77.53 (14) of the statutes is amended to read:



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

4           **SECTION 196.** 77.53 (15) of the statutes is repealed.

5           **SECTION 197.** 77.53 (16) of the statutes is amended to read:

6           77.53 (16) If the purchase, rental or lease of tangible personal property, or  
7           items, property, or goods under s. 77.52 (1) (b), (c), or (d), or service subject to the tax  
8           imposed by this section was subject to a sales tax by another state in which the  
9           purchase was made, the amount of sales tax paid the other state shall be applied as  
10          a credit against and deducted from the tax, to the extent thereof, imposed by this  
11          section, except no credit may be applied against and deducted from a sales tax paid  
12          on the purchase of direct mail, if the direct mail purchaser did not provide to the  
13          seller a direct pay permit, an exemption certificate claiming direct mail, or other  
14          information that indicates the appropriate taxing jurisdiction to which the direct  
15          mail is delivered to the ultimate recipients. In this subsection "sales tax" includes  
16          a use or excise tax imposed on the use of tangible personal property, or items,  
17          property, or goods under s. 77.52 (1) (b), (c), or (d), or taxable service by the state in  
18          which the sale occurred was sourced and "state" includes the District of Columbia but  
19          does not include and the commonwealth of Puerto Rico or but does not include the  
20          several territories organized by congress.

21          **SECTION 198.** 77.53 (17) of the statutes is amended to read:

22          77.53 (17) This section does not apply to tangible personal property or items,  
23          property, or goods under s. 77.52 (1) (b), (c), or (d) purchased outside this state, as  
24          determined under s. 77.522, other than motor vehicles, boats, snowmobiles,  
25          recreational vehicles, as defined in s. 340.01 (48r), trailers, semitrailers, all-terrain

1 vehicles and airplanes registered or titled or required to be registered or titled in this  
2 state, which is brought into this state by a nondomiciliary for the person's own  
3 storage, use or other consumption while temporarily within this state when such  
4 property, item, or good is not stored, used or otherwise consumed in this state in the  
5 conduct of a trade, occupation, business or profession or in the performance of  
6 personal services for wages or fees.

7 **SECTION 199.** 77.53 (17m) of the statutes is amended to read:

8 77.53 (17m) This section does not apply to a boat purchased in a state  
9 contiguous to this state, as determined under s. 77.522, by a person domiciled in that  
10 state if the boat is berthed in this state's boundary waters adjacent to the state of the  
11 domicile of the purchaser and if the transaction was an exempt occasional sale under  
12 the laws of the state in which the purchase was made.

13 **SECTION 200.** 77.53 (17r) (a) of the statutes is amended to read:

14 77.53 (17r) (a) It is purchased in another state, as determined under s. 77.522.

15 **SECTION 201.** 77.53 (18) of the statutes is amended to read:

16 77.53 (18) This section does not apply to the storage, use or other consumption  
17 in this state of household goods or items, property, or goods under s. 77.52 (1) (b), (c),  
18 or (d) for personal use or to aircraft, motor vehicles, boats, snowmobiles, mobile  
19 homes, manufactured homes, as defined in s. 101.91 (2), recreational vehicles, as  
20 defined in s. 340.01 (48r), trailers, semitrailers and all-terrain vehicles, for personal  
21 use, purchased by a nondomiciliary of this state outside this state, as determined  
22 under s. 77.522, 90 days or more before bringing the goods, items, goods, or property  
23 into this state in connection with a change of domicile to this state.

24 **SECTION 202.** 77.54 (1) of the statutes is amended to read:

1           77.54 (1) The ~~gross receipts~~ sales price from the sale of and the storage, use or  
2 other consumption in this state of tangible personal property, ~~and items, property,~~  
3 and goods under s. 77.52 (1) (b), (c), and (d), and services the ~~gross receipts~~ sales price  
4 from the sale of which, or the storage, use or other consumption of which, this state  
5 is prohibited from taxing under the constitution or laws of the United States or under  
6 the constitution of this state.

7           **SECTION 203.** 77.54 (2) of the statutes is amended to read:

8           77.54 (2) The ~~gross receipts~~ sales price from sales of and the storage, use or  
9 other consumption of tangible personal property becoming an ingredient or  
10 component part of an article of tangible personal property or which is consumed or  
11 destroyed or loses its identity in the manufacture of tangible personal property in  
12 any form destined for sale, except as provided in sub. (30) (a) 6.

13           **SECTION 204.** 77.54 (2m) of the statutes is amended to read:

14           77.54 (2m) The ~~gross receipts~~ sales price from the sales of and the storage, use  
15 or other consumption of tangible personal property or services that become an  
16 ingredient or component of shoppers guides, newspapers or periodicals or that are  
17 consumed or lose their identity in the manufacture of shoppers guides, newspapers  
18 or periodicals, whether or not the shoppers guides, newspapers or periodicals are  
19 transferred without charge to the recipient. In this subsection, “shoppers guides”,  
20 “newspapers” and “periodicals” have the meanings under sub. (15). The exemption  
21 under this subdivision does not apply to advertising supplements that are not  
22 newspapers.

23           **SECTION 205.** 77.54 (3) (a) of the statutes is amended to read:

24           77.54 (3) (a) The ~~gross receipts~~ sales price from the sales of and the storage, use,  
25 or other consumption of tractors and machines, including accessories, attachments,

1 and parts, lubricants, nonpowered equipment, and other tangible personal property  
2 that are used exclusively and directly, or are consumed or lose their identities, in the  
3 business of farming, including dairy farming, agriculture, horticulture, floriculture,  
4 silviculture, and custom farming services, but excluding automobiles, trucks, and  
5 other motor vehicles for highway use; excluding personal property that is attached  
6 to, fastened to, connected to, or built into real property or that becomes an addition  
7 to, component of, or capital improvement of real property; and excluding tangible  
8 personal property used or consumed in the erection of buildings or in the alteration,  
9 repair, or improvement of real property, regardless of any contribution that that  
10 personal property makes to the production process in that building or real property  
11 and regardless of the extent to which that personal property functions as a machine,  
12 except as provided in par. (c).

13 **SECTION 206.** 77.54 (3m) (intro.) of the statutes is amended to read:

14 77.54 (3m) (intro.) The ~~gross receipts~~ sales price from the sale of and the  
15 storage, use or other consumption of the following items if they are used exclusively  
16 by the purchaser or user in the business of farming; including dairy farming,  
17 agriculture, horticulture, floriculture, silviculture, and custom farming services:

18 **SECTION 207.** 77.54 (4) of the statutes is amended to read:

19 77.54 (4) ~~Gross receipts~~ The sales price from the sale of tangible personal  
20 property and items, property, and goods under s. 77.52 (1) (b), (c), and (d) and the  
21 storage, use or other consumption in this state of tangible personal property and  
22 items, property, and goods under s. 77.52 (1) (b), (c), and (d), which is the subject of  
23 any such sale, by any elementary school or secondary school, exempted as such from  
24 payment of income or franchise tax under ch. 71, whether public or private.

25 **SECTION 208.** 77.54 (5) (intro.) of the statutes is amended to read:

1           77.54 (5) (intro.) The ~~gross receipts~~ sales price from the sale of and the storage,  
2 use or other consumption of:

3           **SECTION 209.** 77.54 (6) (intro.) of the statutes is amended to read:

4           77.54 (6) (intro.) The ~~gross receipts~~ sales price from the sale of and the storage,  
5 use or other consumption of:

6           **SECTION 210.** 77.54 (7m) of the statutes is amended to read:

7           77.54 (7m) Occasional sales of tangible personal property, or items, property,  
8 or goods under s. 77.52 (1) (b), (c), and (d), or services, including admissions or tickets  
9 to an event; by a neighborhood association, church, civic group, garden club, social  
10 club or similar nonprofit organization; not involving entertainment for which  
11 payment in the aggregate exceeds \$500 for performing or as reimbursement of  
12 expenses unless access to the event may be obtained without payment of a direct or  
13 indirect admission fee; conducted by the organization if the organization is not  
14 engaged in a trade or business and is not required to have a seller's permit. For  
15 purposes of this subsection, an organization is engaged in a trade or business and is  
16 required to have a seller's permit if its sales of tangible personal property, and items,  
17 property, and goods under s. 77.52 (1) (b), (c), and (d), and services, not including sales  
18 of tickets to events, and its events occur on more than 20 days during the year, unless  
19 its receipts do not exceed \$25,000 during the year. The exemption under this  
20 subsection does not apply to ~~gross receipts~~ the sales price from the sale of bingo  
21 supplies to players or to the sale, rental or use of regular bingo cards, extra regular  
22 cards and special bingo cards.

23           **SECTION 211.** 77.54 (8) of the statutes is amended to read:

1           77.54 (8) Charges for ~~interest, financing or insurance, not including contracts~~  
2 under s. 77.52 (2) (a) 13m., where such charges are separately set forth upon the  
3 invoice given by the seller to the purchaser.

4           **SECTION 212.** 77.54 (9) of the statutes is amended to read:

5           77.54 (9) The ~~gross receipts~~ sales price from sales of tickets or admissions to  
6 public and private elementary and secondary school activities, where the entire net  
7 proceeds therefrom are expended for educational, religious or charitable purposes.

8           **SECTION 213.** 77.54 (9a) (intro.) of the statutes is amended to read:

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

12           **SECTION 214.** 77.54 (10) of the statutes is amended to read:

13           77.54 (10) The ~~gross receipts~~ sales price from the sale of all admission fees,  
14 admission stickers or camping fees under s. 27.01 (7) to (11) and all admission fees  
15 to any museum operated by a nonprofit corporation under a lease agreement with  
16 the state historical society.

17           **SECTION 215.** 77.54 (11) of the statutes is amended to read:

18           77.54 (11) The ~~gross receipts~~ sales price from the sales of and the storage, use  
19 or other consumption in this state of motor vehicle fuel, general aviation fuel or  
20 alternate fuel, subject to taxation under ch. 78, unless the motor vehicle fuel or  
21 alternate fuel tax is refunded under s. 78.75 because the buyer does not use the fuel  
22 in operating a motor vehicle upon the public highways.

23           **SECTION 216.** 77.54 (12) of the statutes is amended to read:

24           77.54 (12) The ~~gross receipts~~ sales price from the sales of and the storage, use  
25 or other consumption in this state of rail freight or passenger cars, locomotives or

1 other rolling stock used in railroad operations, or accessories, attachments, parts,  
2 lubricants or fuel therefor.

3 **SECTION 217.** 77.54 (13) of the statutes is amended to read:

4 77.54 (13) The ~~gross receipts~~ sales price from the sales of and the storage, use  
5 or other consumption in this state of commercial vessels and barges of 50-ton burden  
6 or over primarily engaged in interstate or foreign commerce or commercial fishing,  
7 and the accessories, attachments, parts and fuel therefor.

8 **SECTION 218.** 77.54 (14) (intro.) of the statutes is amended to read:

9 77.54 (14) (intro.) The ~~gross receipts~~ sales price from the sales of and the  
10 storage, use, or other consumption in this state of ~~medicines~~ drugs that are any of  
11 the following:

12 **SECTION 219.** 77.54 (14) (a) of the statutes is amended to read:

13 77.54 (14) (a) Prescribed for the treatment of a human being by a person  
14 authorized to prescribe the ~~medicines~~ drugs, and dispensed on prescription filled by  
15 a registered pharmacist in accordance with law.

16 **SECTION 220.** 77.54 (14) (b) of the statutes is amended to read:

17 77.54 (14) (b) Furnished by a licensed physician, surgeon, podiatrist, or dentist  
18 to a patient who is a human being for treatment of the patient.

19 **SECTION 221.** 77.54 (14) (f) (intro.) of the statutes is amended to read:

20 77.54 (14) (f) (intro.) Furnished without charge to any of the following if the  
21 ~~medicine~~ drug may not be dispensed without a prescription:

22 **SECTION 222.** 77.54 (14g) of the statutes is repealed.

23 **SECTION 223.** 77.54 (14s) of the statutes is repealed.

24 **SECTION 224.** 77.54 (15) of the statutes is amended to read:

1           77.54 (15) The ~~gross receipts~~ sales price from the sale of and the storage, use  
2 or other consumption of all newspapers, of periodicals sold by subscription and  
3 regularly issued at average intervals not exceeding 3 months, or issued at average  
4 intervals not exceeding 6 months by an educational association or corporation sales  
5 to which are exempt under sub. (9a) (f), of controlled circulation publications sold to  
6 commercial publishers for distribution without charge or mainly without charge or  
7 regularly distributed by or on behalf of publishers without charge or mainly without  
8 charge to the recipient and of shoppers guides which distribute no less than 48 issues  
9 in a 12-month period. In this subsection, "shoppers guide" means a community  
10 publication delivered, or attempted to be delivered, to most of the households in its  
11 coverage area without a required subscription fee, which advertises a broad range  
12 of products and services offered by several types of businesses and individuals. In  
13 this subsection, "controlled circulation publication" means a publication that has at  
14 least 24 pages, is issued at regular intervals not exceeding 3 months, that devotes  
15 not more than 75% of its pages to advertising and that is not conducted as an  
16 auxiliary to, and essentially for the advancement of, the main business or calling of  
17 the person that owns and controls it.

18           **SECTION 225.** 77.54 (16) of the statutes is amended to read:

19           77.54 (16) The ~~gross receipts~~ sales price from the sale of and the storage, use  
20 or other consumption of fire trucks and fire fighting equipment, including  
21 accessories, attachments, parts and supplies therefor, sold to volunteer fire  
22 departments.

23           **SECTION 226.** 77.54 (17) of the statutes is amended to read:



1           77.54 (17) The ~~gross receipts~~ sales price from the sales of and the storage, use  
2 or other consumption of water, that is not food and food ingredient, when delivered  
3 through mains.

4           **SECTION 227.** 77.54 (18) of the statutes is amended to read:

5           77.54 (18) When the sale, license, lease, or rental of a service or property,  
6 including items, property, and goods under s. 77.52 (1) (b), (c), and (d), that was  
7 previously exempt or not taxable under this subchapter becomes taxable, and the  
8 service or property is furnished under a written contract by which the seller is  
9 unconditionally obligated to provide the service or property for the amount fixed  
10 under the contract, the seller is exempt from sales or use tax on the ~~gross receipts~~  
11 sales price for services or property provided until the contract is terminated,  
12 extended, renewed or modified. However, from the time the service or property  
13 becomes taxable until the contract is terminated, extended, renewed or modified the  
14 user is subject to use tax, measured by the sales purchase price, on the service or  
15 property purchased under the contract.

16           **SECTION 228.** 77.54 (20) of the statutes is repealed.

17           **SECTION 229.** 77.54 (20m) of the statutes is repealed.

18           **SECTION 230.** 77.54 (20n) of the statutes is created to read:

19           77.54 (20n) (a) The sales price from the sale of and the storage, use, or other  
20 consumption of food and food ingredients, except candy, soft drinks, dietary  
21 supplements, and prepared food.

22           (b) The sales price from the sale of and the storage, use, or other consumption  
23 of food and food ingredients, except soft drinks, sold by hospitals, sanatoriums,  
24 nursing homes, retirement homes, community-based residential facilities, as  
25 defined in s. 50.01 (1g), or day care centers registered under ch. 48, including

1 prepared food that is sold to the elderly or handicapped by persons providing mobile  
2 meals on wheels. In this paragraph, "retirement home" means a nonprofit  
3 residential facility where 3 or more unrelated adults or their spouses have their  
4 principal residence and where support services, including meals from a common  
5 kitchen, are available to residents.

6 (c) The sales price from the sale of and the storage, use, or other consumption  
7 of food and food ingredients, furnished in accordance with any contract or agreement  
8 or paid for to such institution through the use of an account of such institution, by  
9 a public or private institution of higher education to any of the following:

10 1. An undergraduate student, a graduate student, or a student enrolled in a  
11 professional school if the student is enrolled for credit at the public or private  
12 institution of higher education and if the food and food ingredients are consumed by  
13 the student.

14 2. A national football league team.

15 **SECTION 231.** 77.54 (20r) of the statutes is created to read:

16 77.54 (20r) The sales price from the sales of and the storage, use, or other  
17 consumption of candy, soft drinks, dietary supplements, and prepared foods, and  
18 disposable products that are transferred with such items, furnished for no  
19 consideration by a restaurant to the restaurant's employee during the employee's  
20 work hours.

21 **SECTION 232.** 77.54 (21) of the statutes is amended to read:

22 77.54 (21) The ~~gross receipts~~ sales price from the sales of and the storage, use  
23 or other consumption of caskets and burial vaults for human remains.

24 **SECTION 233.** 77.54 (22) of the statutes is repealed.

25 **SECTION 234.** 77.54 (22b) of the statutes is created to read:

1           77.54 (22b) The sales price from the sale of and the storage, use, or other  
2 consumption of durable medical equipment that is for use in a person's home,  
3 mobility-enhancing equipment, and prosthetic devices, and accessories for such  
4 equipment or devices, if the equipment or devices are used for a human being.

5           **SECTION 235.** 77.54 (23m) of the statutes is amended to read:

6           77.54 (23m) The ~~gross receipts~~ sales price from the sale, license, lease or rental  
7 of or the storage, use or other consumption of motion picture film or tape, and motion  
8 pictures or radio or television programs for listening, viewing, or broadcast, and  
9 advertising materials related thereto, sold, licensed, leased or rented to a motion  
10 picture theater or radio or television station.

11           **SECTION 236.** 77.54 (25) of the statutes, as affected by 2007 Wisconsin Act 20,  
12 is amended to read:

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

19           **SECTION 237.** 77.54 (25m) of the statutes, as created by 2007 Wisconsin Act 20,  
20 is amended to read:

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

25           **SECTION 238.** 77.54 (26) of the statutes is amended to read:

1           77.54 (26) The ~~gross receipts sales price~~ from the sales of and the storage, use,  
2 or other consumption of tangible personal property and items and property under s.  
3 77.52 (1) (b) and (c) which becomes a component part of an industrial waste  
4 treatment facility that is exempt under s. 70.11 (21) or that would be exempt under  
5 s. 70.11 (21) if the property were taxable under ch. 70, or tangible personal property  
6 and items and property under s. 77.52 (1) (b) and (c) which becomes a component part  
7 of a waste treatment facility of this state or any agency thereof, or any political  
8 subdivision of the state or agency thereof as provided in s. 40.02 (28). The exemption  
9 includes replacement parts therefor, and also applies to chemicals and supplies used  
10 or consumed in operating a waste treatment facility and to purchases of tangible  
11 personal property and items and property under s. 77.52 (1) (b) and (c) made by  
12 construction contractors who transfer such property to their customers in fulfillment  
13 of a real property construction activity. This exemption does not apply to tangible  
14 personal property and items and property under s. 77.52 (1) (b) and (c) installed in  
15 fulfillment of a written construction contract entered into, or a formal written bid  
16 made, prior to July 31, 1975.

17           **SECTION 239.** 77.54 (26m) of the statutes is amended to read:

18           77.54 (26m) The ~~gross receipts sales price~~ from the sale of and the storage, use  
19 or other consumption of waste reduction or recycling machinery and equipment,  
20 including parts therefor, exclusively and directly used for waste reduction or  
21 recycling activities which reduce the amount of solid waste generated, reuse solid  
22 waste, recycle solid waste, compost solid waste or recover energy from solid waste.  
23 The exemption applies even though an economically useful end product results from  
24 the use of the machinery and equipment. For the purposes of this subsection, "solid  
25 waste" means garbage, refuse, sludge or other materials or articles, whether these

1 materials or articles are discarded or purchased, including solid, semisolid, liquid or  
2 contained gaseous materials or articles resulting from industrial, commercial,  
3 mining or agricultural operations or from domestic use or from public service  
4 activities.

5 **SECTION 240.** 77.54 (27) of the statutes is amended to read:

6 77.54 (27) The ~~gross receipts~~ sales price from the sale of semen used for  
7 artificial insemination of livestock.

8 **SECTION 241.** 77.54 (28) of the statutes is amended to read:

9 77.54 (28) The ~~gross receipts~~ sales price from the sale of and the storage, use  
10 or other consumption to or by the ultimate consumer of ~~apparatus or equipment for~~  
11 ~~the injection of insulin or the treatment of diabetes and~~ supplies used to determine  
12 blood sugar level.

13 **SECTION 242.** 77.54 (29) of the statutes is amended to read:

14 77.54 (29) The ~~gross receipts~~ sales price from the sales of and the storage, use  
15 or other consumption of equipment used in the production of maple syrup.

16 **SECTION 243.** 77.54 (30) (a) (intro.) of the statutes is amended to read:

17 77.54 (30) (a) (intro.) The ~~gross receipts~~ sales price from the sale of:

18 **SECTION 244.** 77.54 (30) (c) of the statutes is amended to read:

19 77.54 (30) (c) If fuel or electricity is sold partly for a use exempt under this  
20 subsection and partly for a use which is not exempt under this subsection, no tax  
21 shall be collected on that percentage of the ~~gross receipts~~ sales price equal to the  
22 percentage of the fuel or electricity which is used for an exempt use, as specified in  
23 an exemption certificate provided by the purchaser to the seller.

24 **SECTION 245.** 77.54 (31) of the statutes is amended to read:

1           77.54 (31) The ~~gross receipts~~ sales price from the sale of and the storage, use  
2 or other consumption in this state, but not the lease or rental, of used mobile homes,  
3 as defined in s. 101.91 (10), and used manufactured homes, as defined in s. 101.91  
4 (12).

5           **SECTION 246.** 77.54 (32) of the statutes is amended to read:

6           77.54 (32) The ~~gross receipts~~ sales price from charges, including charges for a  
7 search, imposed by an authority, as defined in s. 19.32 (1), for copies of a public record  
8 that a person may examine and use under s. 16.61 (12) or for copies of a record under  
9 s. 19.35 (1).

10          **SECTION 247.** 77.54 (33) of the statutes is amended to read:

11          77.54 (33) The ~~gross receipts~~ sales price from sales of and the storage, use or  
12 other consumption of ~~medicines~~ drugs used on farm livestock, not including  
13 workstock.

14          **SECTION 248.** 77.54 (35) of the statutes is amended to read:

15          77.54 (35) The ~~gross receipts~~ sales price from the sales of tangible personal  
16 property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), tickets, or  
17 admissions by any baseball team affiliated with the Wisconsin Department of  
18 American Legion baseball.

19          **SECTION 249.** 77.54 (36) of the statutes is amended to read:

20          77.54 (36) The ~~gross receipts~~ sales price from the rental for a continuous period  
21 of one month or more of a mobile home, as defined in s. 101.91 (10), or a manufactured  
22 home, as defined in s. 101.91 (2), that is used as a residence. In this subsection, "one  
23 month" means a calendar month or 30 days, whichever is less, counting the first day  
24 of the rental and not counting the last day of the rental.

25          **SECTION 250.** 77.54 (37) of the statutes is amended to read:

1           77.54 (37) The ~~gross receipts~~ sales price from revenues collected under s.  
2           256.35 (3) and the surcharge established by rule by the public service commission  
3           under s. 256.35 (3m) (f) for customers of wireless providers, as defined in s. 256.35  
4           (3m) (a) 6.

5           **SECTION 251.** 77.54 (38) of the statutes is amended to read:

6           77.54 (38) The ~~gross receipts~~ sales price from the sale of and the storage, use  
7           or other consumption of snowmobile trail groomers and attachments for them that  
8           are purchased, stored, used or consumed by a snowmobile club that meets at least  
9           3 times a year, that has at least 10 members, that promotes snowmobiling and that  
10          participates in the department of natural resources' snowmobile program under s.  
11          350.12 (4) (b).

12          **SECTION 252.** 77.54 (39) of the statutes is amended to read:

13          77.54 (39) The ~~gross receipts~~ sales price from the sale of and the storage, use  
14          or other consumption of off-highway, heavy mechanical equipment such as feller  
15          bunchers, slashers, delimiters, chippers, hydraulic loaders, loaders,  
16          skidder-forwarders, skidders, timber wagons and tractors used exclusively and  
17          directly in the harvesting or processing of raw timber products in the field by a person  
18          in the logging business. In this subsection, "heavy mechanical equipment" does not  
19          include hand tools such as axes, chains, chain saws and wedges.

20          **SECTION 253.** 77.54 (40) of the statutes is repealed.

21          **SECTION 254.** 77.54 (41) of the statutes is amended to read:

22          77.54 (41) The ~~gross receipts~~ sales price from the sale of building materials,  
23          supplies and equipment to; and the storage, use or other consumption of those kinds  
24          of property by; owners, contractors, subcontractors or builders if that property is

1 acquired solely for or used solely in, the construction, renovation or development of  
2 property that would be exempt under s. 70.11 (36).

3 **SECTION 255.** 77.54 (42) of the statutes is amended to read:

4 77.54 (42) The ~~gross receipts~~ sales price from the sale of and the storage, use  
5 or other consumption of animal identification tags provided under s. 93.06 (1h) and  
6 standard samples provided under s. 93.06 (1s).

7 **SECTION 256.** 77.54 (43) of the statutes is amended to read:

8 77.54 (43) The ~~gross receipts~~ sales price from the sale of and the storage, use  
9 or other consumption of raw materials used for the processing, fabricating or  
10 manufacturing of, or the attaching to or incorporating into, printed materials that  
11 are transported and used solely outside this state.

12 **SECTION 257.** 77.54 (44) of the statutes is amended to read:

13 77.54 (44) The ~~gross receipts~~ sales price from the collection of low-income  
14 assistance fees that are charged under s. 16.957 (4) (a) or (5) (a).

15 **SECTION 258.** 77.54 (45) of the statutes is amended to read:

16 77.54 (45) The ~~gross receipts~~ sales price from the sale of and the use or other  
17 consumption of a onetime license or similar right to purchase admission to  
18 professional football games at a football stadium, as defined in s. 229.821 (6), that  
19 is granted by a municipality; a local professional football stadium district; or a  
20 professional football team or related party, as defined in s. 229.821 (12); if the person  
21 who buys the license or right is entitled, at the time the license or right is transferred  
22 to the person, to purchase admission to at least 3 professional football games in this  
23 state during one football season.

24 **SECTION 259.** 77.54 (46) of the statutes is amended to read:



1           77.54 (46) The ~~gross receipts~~ sales price from the sale of and the storage, use,  
2 or other consumption of the U.S. flag or the state flag. This subsection does not apply  
3 to a representation of the U.S. flag or the state flag.

4           **SECTION 260.** 77.54 (46m) of the statutes is amended to read:

5           77.54 (46m) The ~~gross receipts~~ sales price from the sale of and the storage, use,  
6 or other consumption of telecommunications services, if the telecommunications  
7 services are obtained by using the rights to purchase telecommunications services,  
8 including purchasing reauthorization numbers, by paying in advance and by using  
9 an access number and authorization code; and if the tax imposed under s. 77.52 or  
10 77.53 was previously paid on the sale or purchase of such rights.

11           **SECTION 261.** 77.54 (47) (intro.) of the statutes is amended to read:

12           77.54 (47) (intro.) The ~~gross receipts~~ sales price from the sale of and the storage,  
13 use, or other consumption of all of the following:

14           **SECTION 262.** 77.54 (47) (b) 1. of the statutes is amended to read:

15           77.54 (47) (b) 1. The shooting facility is required to pay the tax imposed under  
16 s. 77.52 on its ~~gross receipts~~ the sales price from charges for shooting at the facility.

17           **SECTION 263.** 77.54 (47) (b) 2. of the statutes is amended to read:

18           77.54 (47) (b) 2. The shooting facility is a nonprofit organization that charges  
19 for shooting at the facility, but is not required to pay the tax imposed under s. 77.52  
20 on its ~~gross receipts~~ sales price from such charges because the charges are for  
21 occasional sales, as provided under sub. (7m), or because the charges satisfy the  
22 exemption under s. 77.52 (2) (a) 2. b.

23           **SECTION 264.** 77.54 (48) (a) of the statutes is renumbered 77.585 (9) (a) and  
24 amended to read:

1           77.585 (9) (a) Subject to 2005 Wisconsin Act 479, section 17, ~~the gross receipts~~  
2 ~~from the sale of and the storage, use, or other consumption~~ a purchaser may claim  
3 as a deduction that portion of its purchase price of Internet equipment used in the  
4 broadband market for which the tax was imposed under this subchapter, if the  
5 purchaser certifies to the department of commerce, in the manner prescribed by the  
6 department of commerce, that the purchaser will, within 24 months after July 1,  
7 2007, make an investment that is reasonably calculated to increase broadband  
8 Internet availability in this state. The purchaser shall claim the deduction in the  
9 same reporting period as the purchaser paid the tax imposed under this subchapter.

10           **SECTION 265.** 77.54 (48) (b) of the statutes is renumbered 77.585 (9) (b).

11           **SECTION 266.** 77.54 (49) of the statutes is amended to read:

12           77.54 (49) The ~~gross receipts~~ sales price from the sale of and the storage, use,  
13 or other consumption of taxable services and tangible personal property or items,  
14 property, or goods under s. 77.52 (1) (b), (c), or (d), that is are physically transferred  
15 to the purchaser as a necessary part of services that are subject to the taxes imposed  
16 under s. 77.52 (2) (a) 7., 10., 11., and 20., if the seller and the purchaser of such  
17 services and property, item, or good are members of the same affiliated group under  
18 section 1504 of the Internal Revenue Code and are eligible to file a single  
19 consolidated return for federal income tax purposes. For purposes of this subsection,  
20 if a seller purchases a taxable service, or item, property, or goods under s. 77.52 (1)  
21 (b), (c), or (d), or tangible personal property, as described in the this subsection, that  
22 is subsequently sold to a member of the seller's affiliated group and the sale is exempt  
23 under this subsection from the taxes imposed under this subchapter, the original  
24 purchase of the taxable service, or item, property, or goods under s. 77.52 (1) (b), (c),

1 or (d), or tangible personal property by the seller is not considered a sale for resale  
2 or exempt under this subsection.

3 **SECTION 267.** 77.54 (50) of the statutes is created to read:

4 77.54 (50) The sales price from the sale of and the storage, use, or other  
5 consumption of specified digital goods or additional digital goods that are transferred  
6 electronically to the purchaser if the sale of and the storage, use, or other  
7 consumption of such goods sold in a tangible form is exempt from taxation under this  
8 subchapter.

9 **SECTION 268.** 77.54 (51) of the statutes is created to read:

10 77.54 (51) The sales price from the sales of and the storage, use, or other  
11 consumption of products sold in a transaction that would be a bundled transaction,  
12 except that it contains taxable and nontaxable products as described in s. 77.51 (1f)  
13 (d), and except that the first person combining the products shall pay the tax imposed  
14 under this subchapter on the person's purchase price of the taxable items.

15 **SECTION 269.** 77.54 (52) of the statutes is created to read:

16 77.54 (52) The sales price from the sales of and the storage, use, or other  
17 consumption of products sold in a transaction that would be a bundled transaction,  
18 except that the transaction meets the conditions described in s. 77.51 (1f) (e).

19 **SECTION 270.** 77.54 (54) of the statutes is amended to read:

20 77.54 (54) The ~~gross receipts~~ sales price from the sale of and the storage, use,  
21 or other consumption of tangible personal property, and items, property, and goods  
22 under s. 77.52 (1) (b), (c), and (d), and taxable services that are sold by a home  
23 exchange service that receives moneys from the appropriation account under s.  
24 20.485 (1) (g) and is operated by the department of veterans affairs.