

1 ***-0377/P10.75* *-4294/P1.68* SECTION 225.** 77.51 (13) (a) of the statutes is
2 amended to read:

3 77.51 (13) (a) Every seller who makes any sale, regardless of whether the sale
4 is mercantile in nature, of tangible personal property, or items, property, or goods
5 under s. 77.52 (1) (b), (c), or (d), or a service specified under s. 77.52 (2) (a).

6 ***-0377/P10.76* *-4294/P1.69* SECTION 226.** 77.51 (13) (b) of the statutes is
7 amended to read:

8 77.51 (13) (b) Every person engaged in the business of making sales of tangible
9 personal property or items, property, or goods under s. 77.52 (1) (b), (c), or (d) for
10 storage, use or consumption or in the business of making sales at auction of tangible
11 personal property or items, property, or goods under s. 77.52 (1) (b), (c), or (d) owned
12 by the person or others for storage, use or other consumption.

13 ***-0377/P10.77* *-4294/P1.70* SECTION 227.** 77.51 (13) (c) of the statutes is
14 amended to read:

15 77.51 (13) (c) When the department determines that it is necessary for the
16 efficient administration of this subchapter to regard any salespersons,
17 representatives, peddlers or canvassers as the agents of the dealers, distributors,
18 supervisors or employers under whom they operate or from whom they obtain the
19 tangible personal property or items, property, or goods under s. 77.52 (1) (b), (c), or
20 (d) sold by them, irrespective of whether they are making the sales on their own
21 behalf or on behalf of such dealers, distributors, supervisors or employers, the
22 department may so regard them and may regard the dealers, distributors,
23 supervisors or employers as retailers for purposes of this subchapter.

24 ***-0377/P10.78* *-4294/P1.71* SECTION 228.** 77.51 (13) (d) of the statutes is
25 amended to read:

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

6 ***-0377/P10.79* *-4294/P1.72* SECTION 229.** 77.51 (13) (e) of the statutes is
7 amended to read:

8 77.51 (13) (e) A person selling tangible personal property or items, property,
9 or goods under s. 77.52 (1) (b), (c), or (d) to a service provider who transfers the
10 property, items, or goods in conjunction with the selling, performing or furnishing of
11 any service and the property is, items, or goods are incidental to the service, unless
12 the service provider is selling, performing or furnishing services under s. 77.52 (2)
13 (a) 7., 10., 11. and 20. This subsection does not apply to sub. (2).

14 ***-0377/P10.80* *-4294/P1.73* SECTION 230.** 77.51 (13) (f) of the statutes is
15 amended to read:

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

21 ***-0377/P10.81* *-4294/P1.74* SECTION 231.** 77.51 (13) (k) of the statutes is
22 amended to read:

23 77.51 (13) (k) ~~As respects~~ With respect to a lease, any person deriving rentals
24 from a lease of tangible personal property or items, property, or goods under s. 77.52
25 (1) (b), (c), or (d) situated in this state.

1 ***-0377/P10.82* *-4294/P1.75* SECTION 232.** 77.51 (13) (m) of the statutes is
2 amended to read:

3 77.51 (13) (m) A person selling tangible personal property or items, property,
4 or goods under s. 77.52 (1) (b), (c), or (d) to a veterinarian to be used or furnished by
5 the veterinarian in the performance of services in some manner related to domestic
6 animals, including pets or poultry.

7 ***-0377/P10.83* *-4294/P1.76* SECTION 233.** 77.51 (13) (n) of the statutes is
8 amended to read:

9 77.51 (13) (n) A person selling household furniture, furnishings, equipment,
10 appliances or other items of tangible personal property or items, property, or goods
11 under s. 77.52 (1) (b), (c), or (d) to a landlord for use by tenants in leased or rented
12 living quarters.

13 ***-0377/P10.84* *-4294/P1.77* SECTION 234.** 77.51 (13) (o) of the statutes is
14 amended to read:

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

17 ***-0377/P10.85* *-4294/P1.78* SECTION 235.** 77.51 (13g) (intro.) of the
18 statutes is amended to read:

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

22 ***-0377/P10.86* *-4294/P1.78d* SECTION 236.** 77.51 (13g) (a) of the statutes
23 is amended to read:

24 77.51 (13g) (a) Any retailer owning any real property in this state or leasing
25 or renting out any tangible personal property, or items, property, or goods under s.

1 77.52 (1) (b), (c), or (d), located in this state or maintaining, occupying or using,
2 permanently or temporarily, directly or indirectly, or through a subsidiary, or agent,
3 by whatever name called, an office, place of distribution, sales or sample room or
4 place, warehouse or storage place or other place of business in this state.

5 ***-0377/P10.87* *-4294/P1.78e* SECTION 237.** 77.51 (13g) (b) of the statutes
6 is amended to read:

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

12 ***-0377/P10.88* *-4294/P1.79* SECTION 238.** 77.51 (13g) (c) of the statutes is
13 created to read:

14 77.51 (13g) (c) Any retailer selling tangible personal property, or items,
15 property, or goods under s. 77.52 (1) (b), (c), or (d), or taxable services for storage, use,
16 or other consumption in this state, unless otherwise limited by federal law.

17 ***-0377/P10.89* *-4294/P1.80* SECTION 239.** 77.51 (13r) of the statutes is
18 amended to read:

19 77.51 (13r) Any person purchasing from a retailer as defined in sub. (13) shall
20 be deemed the consumer of the tangible personal property, or items, property, or
21 goods under s. 77.52 (1) (b), (c), or (d), or services purchased.

22 ***-0377/P10.90* *-4294/P1.81* SECTION 240.** 77.51 (13rm) of the statutes is
23 created to read:

24 77.51 (13rm) "Retail sale" or "sale at retail" means any sale, lease, or rental
25 for any purpose other than resale, sublease, or subrent.

1 ***-0377/P10.91* *-4294/P1.82* SECTION 241.** 77.51 (13rn) of the statutes is
2 created to read:

3 77.51 (13rn) "Ringtones" means digitized sound files that are downloaded onto
4 a device and that may be used to alert the customer with regard to a communication.
5 "Ringtones" includes MP3 or musical tones, polyphonic tones, and synthetic music
6 mobile application format tones, but does not include ring-back tones.

7 ***-0377/P10.92* *-4294/P1.83* SECTION 242.** 77.51 (14) (intro.) of the statutes
8 is amended to read:

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

15 ***-0377/P10.93* *-4294/P1.84* SECTION 243.** 77.51 (14) (a) of the statutes is
16 amended to read:

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

23 ***-0377/P10.94* *-4294/P1.85* SECTION 244.** 77.51 (14) (b) of the statutes is
24 amended to read:

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

4 ***-0377/P10.95* *-4294/P1.86* SECTION 245.** 77.51 (14) (c) of the statutes is
5 amended to read:

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

9 ***-0377/P10.96* *-4294/P1.87* SECTION 246.** 77.51 (14) (d) of the statutes is
10 repealed.

11 ***-0377/P10.97* SECTION 247.** 77.51 (14) (g) of the statutes is renumbered
12 77.51 (15a) (b) 4. and amended to read:

13 77.51 (15a) (b) 4. A sale of tangible personal property or items, property, or
14 goods under s. 77.52 (1) (b), (c), or (d) to a contractor or subcontractor for use in the
15 performance of contracts with the United States or its instrumentalities for the
16 construction of improvements on or to real property.

17 ***-0377/P10.98* *-4294/P1.89* SECTION 248.** 77.51 (14) (h) of the statutes is
18 amended to read:

19 77.51 (14) (h) A transfer for a consideration of the title or possession of tangible
20 personal property or items, property, or goods under s. 77.52 (1) (b), (c), or (d) which
21 has have been produced, fabricated, or printed to the special order of the customer
22 or of any publication.

23 ***-0377/P10.99* *-4294/P1.90* SECTION 249.** 77.51 (14) (i) of the statutes is
24 repealed.

1 ***-0377/P10.100* *-4294/P1.91* SECTION 250.** 77.51 (14) (j) of the statutes is
2 amended to read:

3 77.51 (14) (j) The granting of possession of tangible personal property or items,
4 property, or goods under s. 77.52 (1) (b), (c), or (d) by a lessor to a lessee, or to another
5 person at the direction of the lessee. Such a transaction is deemed a continuing sale
6 in this state ~~by the lessor for the duration of the lease as respects any period of time~~
7 ~~the leased property is situated in this state, irrespective of the time or place of~~
8 ~~delivery of the property to the lessee or such other person.~~

9 ***-0377/P10.101* *-4294/P1.92* SECTION 251.** 77.51 (14) (k) of the statutes is
10 repealed.

11 ***-0377/P10.102* *-4294/P1.93* SECTION 252.** 77.51 (14) (L) of the statutes is
12 repealed.

13 ***-0377/P10.103* *-4294/P1.94* SECTION 253.** 77.51 (14g) (a) of the statutes
14 is amended to read:

15 77.51 (14g) (a) The transfer of property or items, property, or goods under s.
16 77.52 (1) (b), (c), or (d) to a corporation upon its organization solely in consideration
17 for the issuance of its stock;

18 ***-0377/P10.104* *-4294/P1.95* SECTION 254.** 77.51 (14g) (b) of the statutes
19 is amended to read:

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

23 ***-0377/P10.105* *-4294/P1.96* SECTION 255.** 77.51 (14g) (bm) of the statutes
24 is amended to read:

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

4 ***-0377/P10.106* *-4294/P1.97* SECTION 256.** 77.51 (14g) (c) of the statutes
5 is amended to read:

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

9 ***-0377/P10.107* *-4294/P1.98* SECTION 257.** 77.51 (14g) (cm) of the statutes
10 is amended to read:

11 77.51 (14g) (cm) The transfer of property or items, property, or goods under s.
12 77.52 (1) (b), (c), or (d) to a limited liability company, solely in consideration for a
13 membership interest, pursuant to a merger;

14 ***-0377/P10.108* *-4294/P1.99* SECTION 258.** 77.51 (14g) (d) of the statutes
15 is amended to read:

16 77.51 (14g) (d) The distribution of property or items, property, or goods under
17 s. 77.52 (1) (b), (c), or (d) by a corporation to its stockholders as a dividend or in whole
18 or partial liquidation;

19 ***-0377/P10.109* *-4294/P1.100* SECTION 259.** 77.51 (14g) (e) of the statutes
20 is amended to read:

21 77.51 (14g) (e) The distribution of property or items, property, or goods under
22 s. 77.52 (1) (b), (c), or (d) by a partnership to its partners in whole or partial
23 liquidation;

24 ***-0377/P10.110* *-4294/P1.101* SECTION 260.** 77.51 (14g) (em) of the
25 statutes is amended to read:

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

4 ***-0377/P10.111* *-4294/P1.102* SECTION 261.** 77.51 (14g) (f) of the statutes
5 is amended to read:

6 77.51 (14g) (f) Repossession of property or items, property, or goods under s.
7 77.52 (1) (b), (c), or (d) by the seller from the purchaser when the only consideration
8 is cancellation of the purchaser's obligation to pay the remaining balance of the
9 purchase price;

10 ***-0377/P10.112* *-4294/P1.103* SECTION 262.** 77.51 (14g) (g) of the statutes
11 is amended to read:

12 77.51 (14g) (g) The transfer of property or items, property, or goods under s.
13 77.52 (1) (b), (c), or (d) in a reorganization as defined in section 368 of the internal
14 revenue code in which no gain or loss is recognized for franchise or income tax
15 purposes; or

16 ***-0377/P10.113* *-4294/P1.104* SECTION 263.** 77.51 (14g) (h) of the statutes
17 is amended to read:

18 77.51 (14g) (h) Any transfer of all or substantially all the property or items,
19 property, or goods under s. 77.52 (1) (b), (c), or (d) held or used by a person in the
20 course of an activity requiring the holding of a seller's permit, if after the transfer
21 the real or ultimate ownership of the property, items, or goods is substantially similar
22 to that which existed before the transfer. For the purposes of this section,
23 stockholders, bondholders, partners, members or other persons holding an interest
24 in a corporation or other entity are regarded as having the real or ultimate ownership

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

3 ***-0377/P10.114* *-4294/P1.105* SECTION 264.** 77.51 (14r) of the statutes is
4 repealed.

5 ***-0377/P10.115* *-4294/P1.106* SECTION 265.** 77.51 (15) of the statutes is
6 repealed.

7 ***-0377/P10.116* *-4294/P1.107* SECTION 266.** 77.51 (15a) of the statutes is
8 created to read:

9 77.51 (15a) (a) “Sales, lease, or rental for resale, sublease, or subrent” includes
10 transfers of tangible personal property or items, property, or goods under s. 77.52 (1)
11 (b), (c), or (d) to a service provider that the service provider transfers in conjunction
12 with but not incidental to the selling, performing, or furnishing of any service, and
13 transfers of tangible personal property or items, property, or goods under s. 77.52 (1)
14 (b), (c), or (d) to a service provider that the service provider physically transfers in
15 conjunction with the selling, performing, or furnishing services under s. 77.52 (2) (a)
16 7., 10., 11., or 20. This paragraph does not apply to sub. (2).

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

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

23 2. Any sale of tangible personal property or items, property, or goods under s.
24 77.52 (1) (b), (c), or (d) to a purchaser even though such property, items, or goods may
25 be used or consumed by some other person to whom such purchaser transfers the

1 property, items, or goods without valuable consideration, such as gifts, and
2 advertising specialties distributed at no charge and apart from the sale of other
3 tangible personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or
4 (d) or service.

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

11 *-0377/P10.117* *-4294/P1.108* **SECTION 267.** 77.51 (15b) of the statutes is
12 created to read:

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

18 1. The seller's cost of the property or items, property, or goods under s. 77.52
19 (1) (b), (c), or (d) sold.

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

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

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

1 b. If a shipment includes property or items that are subject to tax under this
2 subchapter and property or items that are not subject to tax under this subchapter,
3 the amount of the delivery charge that the seller allocates to the property and items
4 that are subject to tax under this subchapter is based either on the total sales price
5 of the property and items that are subject to tax under this subchapter as compared
6 to the total sales price of all the property and items or on the total weight of the
7 property and items that are subject to tax under this subchapter as compared to the
8 total weight of all the property and items.

9 5. Installation charges.

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

11 1. Discounts, including cash, terms, or coupons, that are not reimbursed by a
12 3rd party, except as provided in par. (c); that are allowed by a seller; and that are
13 taken by a purchaser on a sale.

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

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

22 4. Delivery charges for direct mail, if the delivery charges for direct mail are
23 separately stated on the invoice, bill of sale, or similar document that the seller gives
24 to the purchaser.

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

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

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

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

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

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

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

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

8 4. One of the following also applies:

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

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

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

19 ***-0377/P10.118* *-4294/P1.109* SECTION 268.** 77.51 (17) (intro.) of the
20 statutes is amended to read:

21 77.51 (17) (intro.) "Seller" includes every person selling, licensing, leasing, or
22 renting tangible personal property or items, property, or goods under s. 77.52 (1) (b),
23 (c), or (d) or selling, performing, or furnishing services of a kind the ~~gross receipts~~
24 sales price from the sale, license, lease, rental, performance, or furnishing of which

1 are is required to be included in the measure of the sales tax, regardless of all of the
2 following:

3 ***-0377/P10.119* *-4294/P1.110* SECTION 269.** 77.51 (17m) of the statutes is
4 repealed and recreated to read:

5 77.51 (17m) "Service address" means any of the following:

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

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

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

18 ***-0377/P10.120* *-4294/P1.111* SECTION 270.** 77.51 (17w) of the statutes is
19 created to read:

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

24 ***-0377/P10.121* SECTION 271.** 77.51 (17x) of the statutes is created to read:

1 77.51 (17x) “Specified digital goods” means digital audio works, digital
2 audiovisual works, and digital books. For purposes of this subchapter, the sale of or
3 the storage, use, or other consumption of a digital code is treated the same as the sale
4 of or the storage, use, or other consumption of any specified digital goods for which
5 the digital code relates.

6 *~~-0377/P10.122~~* *~~-4294/P1.112~~* SECTION 272. 77.51 (18) of the statutes is
7 amended to read:

8 77.51 (18) “Storage” includes any keeping or retention in this state of tangible
9 personal property or items, property, or goods under s. 77.52 (1) (b), (c), or (d)
10 purchased from a retailer for any purpose except sale in the regular course of
11 business.

12 *~~-0377/P10.123~~* SECTION 273. 77.51 (20) of the statutes is amended to read:

13 77.51 (20) “Tangible personal property” means all tangible personal property
14 of every kind and description and includes electricity, natural gas, steam and water
15 and also leased property affixed to realty if the lessor has the right to remove the
16 property upon breach or termination of the lease agreement, unless the lessor of the
17 property is also the lessor of the realty to which the property is affixed. “Tangible
18 personal property” also includes coins and stamps of the United States sold or traded
19 as collectors’ items above their face value and ~~computer programs except custom~~
20 computer programs prewritten computer software, regardless of how it is delivered
21 to the purchaser.

22 *~~-0377/P10.124~~* SECTION 274. 77.51 (20) of the statutes, as affected by 2009
23 Wisconsin Act (this act), is repealed and recreated to read:

24 77.51 (20) “Tangible personal property” means personal property that can be
25 seen, weighed, measured, felt, or touched, or that is in any other manner perceptible

1 to the senses, and includes electricity, gas, steam, water, and prewritten computer
2 software, regardless of how the software is delivered to the purchaser.

3 ***-0377/P10.125* *-4294/P1.114* SECTION 275.** 77.51 (21) of the statutes is
4 amended to read:

5 77.51 (21) "Taxpayer" means the person who is required to pay, collect, or
6 account for or who is otherwise directly interested in the taxes imposed by this
7 subchapter, including a certified service provider.

8 ***-0377/P10.126* SECTION 276.** 77.51 (21m) of the statutes is amended to read:

9 77.51 (21m) "Telecommunications and Internet access services" means
10 sending messages and information transmitted through the use of local, toll and
11 wide-area telephone service; channel services; telegraph services; teletypewriter;
12 computer exchange services; cellular mobile telecommunications service; specialized
13 mobile radio; stationary two-way radio; paging service; or any other form of mobile
14 and portable one-way or two-way communications; or any other transmission of
15 messages or information by electronic or similar means between or among points by
16 wire, cable, fiber optics, laser, microwave, radio, satellite or similar facilities.
17 "Telecommunications and Internet access services" does not include sending collect
18 telecommunications that are received outside of the state.

19 ***-0377/P10.127* SECTION 277.** 77.51 (21m) of the statutes, as affected by 2009
20 Wisconsin Act (this act), is renumbered 77.51 (5f) and amended to read:

21 77.51 (5f) "~~Telecommunications and Internet access~~ services" means sending
22 messages and information transmitted through the use of local, toll and wide-area
23 telephone service; channel services; telegraph services; teletypewriter; computer
24 exchange services; cellular mobile telecommunications service; specialized mobile
25 radio; stationary two-way radio; paging service; or any other form of mobile and

1 portable one-way or two-way communications; or any other transmission of
2 messages or information by electronic or similar means between or among points by
3 wire, cable, fiber optics, laser, microwave, radio, satellite or similar facilities.
4 ~~“Telecommunications and Internet access services” does not include sending collect~~
5 ~~telecommunications that are received outside of the state telecommunications~~
6 ~~services to the extent that such services are taxable under s. 77.52 (2) (a) 5. am.~~

7 ***-0377/P10.128* *-4294/P1.115* SECTION 278.** 77.51 (21n) of the statutes is
8 created to read:

9 77.51 (21n) “Telecommunications services” means electronically transmitting,
10 conveying, or routing voice, data, audio, video, or other information or signals to a
11 point or between or among points. “Telecommunications services” includes the
12 transmission, conveyance, or routing of such information or signals in which
13 computer processing applications are used to act on the content’s form, code, or
14 protocol for transmission, conveyance, or routing purposes, regardless of whether
15 the service is referred to as a voice over Internet protocol service or classified by the
16 federal communications commission as an enhanced or value-added nonvoice data
17 service. “Telecommunications services” does not include any of the following:

18 (a) Data processing and information services that allow data to be generated,
19 acquired, stored, processed, or retrieved and delivered to a purchaser by an electronic
20 transmission, if the purchaser’s primary purpose for the underlying transaction is
21 the processed data.

22 (b) Installing or maintaining wiring or equipment on a customer’s premises.

23 (c) Tangible personal property.

24 (d) Advertising, including directory advertising.

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

1 (f) Internet access services.

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

7 (h) Ancillary services.

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

10 ***-0377/P10.129* *-4294/P1.116* SECTION 279.** 77.51 (21p) of the statutes is
11 created to read:

12 77.51 (21p) "Tobacco" means cigarettes, cigars, chewing tobacco, pipe tobacco,
13 and any other item that contains tobacco.

14 ***-0377/P10.130* *-4294/P1.117* SECTION 280.** 77.51 (21q) of the statutes is
15 created to read:

16 77.51 (21q) "Transferred electronically" means accessed or obtained by the
17 purchaser by means other than tangible storage media.

18 ***-0377/P10.131* *-4294/P1.118* SECTION 281.** 77.51 (22) (a) of the statutes
19 is amended to read:

20 77.51 (22) (a) "Use" includes the exercise of any right or power over tangible
21 personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), or
22 taxable services incident to the ownership, possession or enjoyment of the property,
23 items, goods, or services, or the results produced by the services, including
24 installation or affixation to real property and including the possession of, or the
25 exercise of any right or power over tangible personal property, or items, property, or

1 goods under s. 77.52 (1) (b), (c), or (d), by a lessee under a lease, except that “use” does
2 not include the activities under sub. (18).

3 ***-0377/P10.132* *-4294/P1.119* SECTION 282.** 77.51 (22) (b) of the statutes
4 is amended to read:

5 77.51 (22) (b) In this subsection “enjoyment” includes a purchaser’s right to
6 direct the disposition of property or items, property, or goods under s. 77.52 (1) (b),
7 (c), or (d), whether or not the purchaser has possession of the property, items, or
8 goods. “Enjoyment” also includes, but is not limited to, having shipped into this state
9 by an out-of-state supplier printed material which is designed to promote the sale
10 of property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), or services,
11 or which is otherwise related to the business activities, of the purchaser of the
12 printed material or printing service.

13 ***-0377/P10.133* *-4294/P1.120* SECTION 283.** 77.51 (22) (bm) of the statutes
14 is created to read:

15 77.51 (22) (bm) In this subsection, “exercise of any right or power over tangible
16 personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), or
17 taxable services” includes distributing, selecting recipients, determining mailing
18 schedules, or otherwise directing the distribution, dissemination, or disposal of
19 tangible personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or
20 (d), or taxable services, regardless of whether the purchaser of such property, items,
21 goods, or services owns or physically possesses, in this state, the property, items,
22 goods, or services.

23 ***-0377/P10.134* *-4294/P1.121* SECTION 284.** 77.51 (24) of the statutes is
24 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 ***-0377/P10.135* *-4294/P1.122* SECTION 285.** 77.51 (25) of the statutes is
6 created to read:

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

11 ***-0377/P10.136* *-4294/P1.123* SECTION 286.** 77.51 (26) of the statutes is
12 created to read:

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

16 ***-0377/P10.137* *-4294/P1.124* SECTION 287.** 77.52 (1) of the statutes is
17 renumbered 77.52 (1) (a) and amended to read:

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

24 ***-0377/P10.138* *-4294/P1.125* SECTION 288.** 77.52 (1) (b) of the statutes is
25 created to read:

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

5 ***-0377/P10.139* *-4294/P1.126* SECTION 289.** 77.52 (1) (c) of the statutes is
6 created to read:

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

12 ***-0377/P10.140* SECTION 290.** 77.52 (1) (d) of the statutes is created to read:

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

18 ***-0377/P10.141* *-4294/P1.127* SECTION 291.** 77.52 (1b) of the statutes is
19 repealed and recreated to read:

20 77.52 (1b) All sales, licenses, leases, or rentals of tangible personal property
21 or items, property, or goods under sub. (1) (b), (c), or (d) at retail in this state are
22 subject to the tax imposed under sub. (1) unless an exemption in this subchapter
23 applies.

24 ***-0377/P10.142* *-4294/P1.128* SECTION 292.** 77.52 (2) (intro.) of the
25 statutes is amended to read:

1 77.52 (2) (intro.) For the privilege of selling, licensing, performing or furnishing
2 the services described under par. (a) at retail in this state, as determined under s.
3 77.522, to consumers or users, regardless of whether the consumer or user has the
4 right of permanent use or less than the right of permanent use and regardless of
5 whether the service is conditioned on continued payment from the purchaser, a tax
6 is imposed upon all persons selling, licensing, performing or furnishing the services
7 at the rate of 5% of the ~~gross receipts~~ sales price from the sale, license, performance
8 or furnishing of the services.

9 ***-0377/P10.143* *-4294/P1.129d* SECTION 293.** 77.52 (2) (a) 5. a. of the
10 statutes is amended to read:

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

20 ***-0377/P10.144* SECTION 294.** 77.52 (2) (a) 5. a. of the statutes, as affected by
21 2009 Wisconsin Act (this act), is amended to read:

22 77.52 (2) (a) 5. a. The sale of ~~telecommunications and Internet access~~ services,
23 ~~except services subject to 4 USC 116 to 126, as amended by P.L. 106-252, that either~~
24 ~~originate or terminate in this state; except services that are obtained by means of a~~
25 ~~toll-free number, that originate outside this state and that terminate in this state;~~

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

6 ***-0377/P10.145* *-4294/P1.130* SECTION 295.** 77.52 (2) (a) 5. am. of the
7 statutes is created to read:

8 77.52 (2) (a) 5. am. The sale of intrastate, interstate, and international
9 telecommunications services, except interstate 800 services.

10 ***-0377/P10.146* *-4294/P1.131* SECTION 296.** 77.52 (2) (a) 5. b. of the
11 statutes is repealed.

12 ***-0377/P10.147* *-4294/P1.132* SECTION 297.** 77.52 (2) (a) 5. c. of the
13 statutes is created to read:

14 77.52 (2) (a) 5. c. The sale of ancillary services, except detailed
15 telecommunications billing services.

16 ***-0377/P10.148* *-4294/P1.133* SECTION 298.** 77.52 (2) (a) 5m. of the
17 statutes is amended to read:

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

1 ***-0377/P10.149* *-4294/P1.134* SECTION 299.** 77.52 (2) (a) 10. of the statutes
2 is amended to read:

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

1 ***-0377/P10.150* *-4294/P1.135m* SECTION 300.** 77.52 (2) (a) 11. of the
2 statutes, as affected by 2007 Wisconsin Act 20, is amended to read:

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

10 ***-0377/P10.151* *-4294/P1.135* SECTION 301.** 77.52 (2) (a) 13m. of the
11 statutes is created to read:

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

21 ***-0377/P10.152* *-4294/P1.136* SECTION 302.** 77.52 (2m) (a) of the statutes
22 is amended to read:

23 77.52 (2m) (a) With respect to the services subject to tax under sub. (2), no part
24 of the charge for the service may be deemed a sale or rental of tangible personal
25 property or items, property, or goods under sub. (1) (b), (c), or (d) if the property, items,

1 or goods transferred by the service provider is are incidental to the selling,
2 performing or furnishing of the service, except as provided in par. (b).

3 ***-0377/P10.153* *-4294/P1.137* SECTION 303.** 77.52 (2m) (b) of the statutes
4 is amended to read:

5 77.52 (2m) (b) With respect to the services subject to tax under sub. (2) (a) 7.,
6 10., 11. and 20., all property or items, property, or goods under s. 77.52 (1) (b), (c), or
7 (d) physically transferred, or transferred electronically, to the customer in
8 conjunction with the selling, performing or furnishing of the service is a sale of
9 tangible personal property or items, property, or goods under s. 77.52 (1) (b), (c), or
10 (d) separate from the selling, performing or furnishing of the service.

11 ***-0377/P10.154* *-4294/P1.138* SECTION 304.** 77.52 (2n) of the statutes is
12 repealed and recreated to read:

13 77.52 (2n) The selling, licensing, performing, or furnishing of the services
14 described under sub. (2) (a) at retail in this state, as determined under s. 77.522, is
15 subject to the tax imposed under sub. (2) unless an exemption in this subchapter
16 applies.

17 ***-0377/P10.155* *-4294/P1.139* SECTION 305.** 77.52 (3m) of the statutes is
18 repealed.

19 ***-0377/P10.156* *-4294/P1.140* SECTION 306.** 77.52 (3n) of the statutes is
20 repealed.

21 ***-0377/P10.157* *-4294/P1.141* SECTION 307.** 77.52 (4) of the statutes is
22 amended to read:

23 77.52 (4) It is unlawful for any retailer to advertise or hold out or state to the
24 public or to any customer, directly or indirectly, that the tax or any part thereof will
25 be assumed or absorbed by the retailer or that it will not be added to the selling price

1 of the property or items, property, or goods under s. 77.52 (1) (b), (c), or (d) sold or that
2 if added it, or any part thereof, will be refunded. Any person who violates this
3 subsection is guilty of a misdemeanor.

4 ***-0377/P10.158* *-4294/P1.142* SECTION 308.** 77.52 (6) of the statutes is
5 repealed.

6 ***-0377/P10.159* *-4294/P1.143* SECTION 309.** 77.52 (7) of the statutes is
7 amended to read:

8 77.52 (7) Every person desiring to operate as a seller within this state who
9 holds a valid certificate under s. 73.03 (50) shall file with the department an
10 application for a permit for each place of operations. Every application for a permit
11 shall be made upon a form prescribed by the department and shall set forth the name
12 under which the applicant intends to operate, the location of the applicant's place of
13 operations, and the other information that the department requires. The Except as
14 provided in sub. (7b), the application shall be signed by the owner if a sole proprietor;
15 in the case of sellers other than sole proprietors, the application shall be signed by
16 the person authorized to act on behalf of such sellers. A nonprofit organization that
17 has ~~gross receipts~~ a sales price taxable under s. 77.54 (7m) shall obtain a seller's
18 permit and pay taxes under this subchapter on all taxable ~~gross receipts~~ sales prices
19 received after it is required to obtain that permit. If that organization becomes
20 eligible later for the exemption under s. 77.54 (7m) except for its possession of a
21 seller's permit, it may surrender that permit.

22 ***-0377/P10.160* *-4294/P1.144* SECTION 310.** 77.52 (7b) of the statutes is
23 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 ***-0377/P10.161* *-4294/P1.145* SECTION 311.** 77.52 (12) of the statutes is
5 amended to read:

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

17 ***-0377/P10.162* *-4294/P1.146* SECTION 312.** 77.52 (13) of the statutes is
18 amended to read:

19 **77.52 (13)** For the purpose of the proper administration of this section and to
20 prevent evasion of the sales tax it shall be presumed that all receipts are subject to
21 the tax until the contrary is established. The burden of proving that a sale of tangible
22 personal property, or items, property, or goods under sub. (1) (b), (c), or (d), or services
23 is not a taxable sale at retail is upon the person who makes the sale unless that
24 person takes from the purchaser ~~a~~ an electronic or a paper certificate, in a manner
25 prescribed by the department, to the effect that the property, item, good, or service

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

11 ***-0377/P10.163* *-4294/P1.147* SECTION 313.** 77.52 (14) (a) (intro.) and 1.
12 and (b) of the statutes are consolidated, renumbered 77.52 (14) (a) and amended to
13 read:

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

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1 solicits the purchaser to claim an unlawful exemption, or accepts an exemption
2 certificate from a purchaser who claims to be an entity that is not subject to the taxes
3 imposed under this subchapter, if the subject of the transaction sought to be covered
4 by the exemption certificate is received by the purchaser at a location operated by the
5 seller in this state and the exemption certificate clearly and affirmatively indicates
6 that the claimed exemption is not available in this state. The certificate referred to
7 in sub. (13) shall ~~be signed by and bear the name and address of~~ provide information
8 that identifies the purchaser, and shall indicate ~~the general character of the tangible~~
9 ~~personal property or service sold by the purchaser and the basis for the claimed~~
10 ~~exemption and a paper certificate shall be signed by the purchaser.~~ The certificate
11 shall be in such form as the department prescribes by rule.

12 ***-0377/P10.164* *-4294/P1.148* SECTION 314.** 77.52 (14) (a) 2. of the statutes
13 is repealed.

14 ***-0377/P10.165* *-4294/P1.149* SECTION 315.** 77.52 (14) (am) of the statutes
15 is created to read:

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

22 ***-0377/P10.166* SECTION 316.** 77.52 (14) (bm) of the statutes is created to
23 read:

24 77.52 (14) (bm) A certified service provider is relieved from liability for the tax
25 otherwise applicable to the same extent as the seller, who is the certified service

1 provider's client, is relieved from liability for the tax otherwise applicable under par.
2 (a) or (am).

3 ***-0377/P10.167* *-4294/P1.150* SECTION 317.** 77.52 (15) of the statutes is
4 amended to read:

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

18 ***-0377/P10.168* *-4294/P1.151* SECTION 318.** 77.52 (16) of the statutes is
19 amended to read:

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

1 under sub. (1) (b), (c), or (d), or taxable service is exempt, knowing at the time of
2 purchase that it is not exempt, for the purpose of evading payment to the seller of the
3 amount of the tax applicable to the transaction, is guilty of a misdemeanor.

4 ***-0377/P10.169* *-4294/P1.152d* SECTION 319.** 77.52 (17m) (b) 6. of the
5 statutes is amended to read:

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

10 ***-0377/P10.170* *-4294/P1.152* SECTION 320.** 77.52 (19) of the statutes is
11 amended to read:

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

22 ***-0377/P10.171* *-4294/P1.153* SECTION 321.** 77.52 (20) of the statutes is
23 created to read:

24 77.52 (20) (a) Except as provided in par. (b), the entire sales price of a bundled
25 transaction is subject to the tax imposed under this subchapter.

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

9 ***-0377/P10.172* *-4294/P1.154* SECTION 322.** 77.52 (21) of the statutes is
10 created to read:

11 77.52 (21) A person who provides a product that is not a distinct and
12 identifiable product because it is provided free of charge, as provided in s. 77.51 (3pf)
13 (b), is the consumer of that product and shall pay the tax imposed under this
14 subchapter on the purchase price of that product.

15 ***-0377/P10.173* *-4294/P1.155* SECTION 323.** 77.52 (22) of the statutes is
16 created to read:

17 77.52 (22) With regard to transactions described in s. 77.51 (1f) (b), the service
18 provider is the consumer of the tangible personal property or items, property, or
19 goods under sub. (1) (b), (c), or (d) and shall pay the tax imposed under this
20 subchapter on the purchase price of the property, items, or goods.

21 ***-0377/P10.174* *-4294/P1.156* SECTION 324.** 77.52 (23) of the statutes is
22 created to read:

23 77.52 (23) With regard to transactions described in s. 77.51 (1f) (c), the service
24 provider is the consumer of the service that is essential to the use or receipt of the

1 other service and shall pay the tax imposed under this subchapter on the purchase
2 price of the service that is essential to the use or receipt of the other service.

3 ***-0377/P10.175* *-4294/P1.157* SECTION 325.** 77.522 of the statutes is
4 created to read:

5 **77.522 Sourcing. (1) GENERAL.** (a) In this section:

6 1. "Receive" means taking possession of tangible personal property or items or
7 property under s. 77.52 (1) (b) or (c); making first use of services; or taking possession
8 or making first use of digital goods under s. 77.52 (1) (d), whichever comes first.
9 "Receive" does not include a shipping company taking possession of tangible
10 personal property or items or property under s. 77.52 (1) (b) or (c) on a purchaser's
11 behalf.

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

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

15 b. Trucks and truck tractors that have a gross vehicle weight rating of 10,001
16 pounds or greater, trailers, semitrailers, and passenger buses, if such vehicles are
17 registered under the international registration plan under s. 341.405 and operated
18 under the authority of a carrier that is authorized by the federal government to carry
19 persons or property in interstate commerce.

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

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

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(1) c. If a service is sold, the sale occurs at the location from which the service was
2 provided.

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3 (c) The sale of direct mail occurs at the location from which the direct mail is
4 shipped, if the purchaser does not provide to the seller a direct pay permit, an
5 exemption certificate claiming direct mail, or other information that indicates the
6 appropriate taxing jurisdiction to which the direct mail is delivered to the ultimate
7 recipients. If the purchaser provides an exemption certificate claiming direct mail
8 or direct pay permit to the seller, the purchaser shall pay or remit, as appropriate,
9 to the department the tax imposed under s. 77.53 on all purchases for which the tax
10 is due and the seller is relieved from liability for collecting such tax. If the purchaser
11 provides delivery information indicating the jurisdictions to which the direct mail is
12 delivered to the recipients, the seller shall collect the tax according to the delivery
13 information provided by the purchaser and, in the absence of bad faith, the seller
14 shall be relieved of any further obligation to collect tax on any transaction for which
15 the seller has collected tax pursuant to the delivery information provided by the
16 purchaser. An exemption certificate claiming direct mail provided to a seller under
17 this paragraph shall remain effective for all sales by the seller who received the
18 exemption certificate to the purchaser who provided the exemption certificate,
19 unless the purchaser revokes the exemption certificate in writing and provides such
20 revocation to the seller.

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

23 1. If a purchaser receives the digital good at a seller's business location, the
24 sale occurs at that business location.

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1 primary location as indicated by an address for the digital good that is provided by
2 the licensee and that is available to the licensor in records that the licensor
3 maintains in the ordinary course of the licensor's business, if the use of such an
4 address does not constitute bad faith. The location of a license as determined under
5 this paragraph shall not be altered by any intermittent use of the digital good at
6 different locations.

7 (3) LEASE OR RENTAL. (a) Except as provided in pars. (b) and (c), with regard
8 to the first or only payment on the lease or rental, the lease or rental of tangible
9 personal property or items, property, or goods under s. 77.52 (1) (b), (c), or (d) occurs

10 at the location determined under sub. (1) (b). If the property, item, or good is moved
11 from the place where the property, item, or good was initially delivered, the
12 subsequent periodic payments on the lease or rental occur at the property's, item's,
13 or good's primary location as indicated by an address for the property, item, or good
14 that is provided by the lessee and that is available to the lessor in records that the
15 lessor maintains in the ordinary course of the lessor's business, if the use of such an
16 address does not constitute bad faith. The location of a lease or rental as determined
17 under this paragraph shall not be altered by any intermittent use of the property,
18 item, or good at different locations.

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19 (b) The lease or rental of motor vehicles, trailers, semitrailers, and aircraft,
20 that are not transportation equipment, occurs at the primary location of such motor
21 vehicles, trailers, semitrailers, or aircraft as indicated by an address for the property
22 that is provided by the lessee and that is available to the lessor in records that the
23 lessor maintains in the ordinary course of the lessor's business, if the use of such an
24 address does not constitute bad faith, except that a lease or rental under this
25 paragraph that requires only one payment occurs at the location determined under

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1 sub. (1) (b). The location of a lease or rental as determined under this paragraph shall
2 not be altered by any intermittent use of the property at different locations.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

24 (b) Except as provided in pars. (d) to (j), the sale of a telecommunications service
25 that is sold on a call-by-call basis occurs in the taxing jurisdiction for sales and use

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1 tax purposes where the call originates and terminates, in the case of a call that
2 originates and terminates in the same such jurisdiction, or the taxing jurisdiction for
3 sales and use tax purposes where the call originates or terminates and where the
4 service address is located.

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

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

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

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

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

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1 2. The sale of a private communication service in which all customer channel
2 termination points are located entirely in one taxing jurisdiction for sales and use
3 tax purposes occurs in the taxing jurisdiction in which the customer channel
4 termination points are located.

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

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

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

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

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

23 (5) FLORISTS. (a) For purposes of this subsection, "retail florist" means a person
24 engaged in the business of selling cut flowers, floral arrangements, and potted plants
25 and who prepares such flowers, floral arrangements, and potted plants. "Retail

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1 florist” does not include a person who sells cut flowers, floral arrangements, and
2 potted plants primarily by mail or via the Internet.

3 (b) Sales by a retail florist occur at the location determined by rule by the
4 department. *we moved to*

5 *-0377/P10.176* *-4294/P1.158* SECTION 326. 77.523 (title) of the statutes
6 is repealed.

7 *-0377/P10.177* *-4294/P1.159* SECTION 327. 77.523 of the statutes is
8 renumbered 77.59 (9p) (a) and amended to read:

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

1 take no other action against the service provider, or commence any action, to correct
2 an alleged error in the amount of the tax assessed under this subchapter on a service
3 that is subject to 4 USC 116 to 126, as amended by P.L. 106-252, or to correct an
4 alleged error in the assigned place of primary use or taxing jurisdiction, unless the
5 customer has exhausted his or her remedies under this ~~section~~ paragraph.

6 ***-0377/P10.178* *-4294/P1.160* SECTION 328.** 77.524 (1) (a) of the statutes
7 is renumbered 77.524 (1) (am).

8 ***-0377/P10.179* *-4294/P1.161* SECTION 329.** 77.524 (1) (ag) of the statutes
9 is created to read:

10 77.524 (1) (ag) "Agent" means a person appointed by a seller to represent the
11 seller before the states that are signatories to the agreement, as defined in s. 77.65
12 (2) (a).

13 ***-0377/P10.180* *-4294/P1.162* SECTION 330.** 77.524 (1) (b) of the statutes
14 is renumbered 77.51 (1g) and amended to read:

15 77.51 (1g) "Certified service provider" means an agent that is certified jointly
16 by the states that are signatories to the agreement, as defined in s. 77.65 (2) (a), and
17 that performs all of a seller's sales tax and use tax functions related to the seller's
18 retail sales, except that a certified service provider is not responsible for a retailer's
19 obligation to remit tax on the retailer's own purchases.

20 ***-0377/P10.181* *-4294/P1.163* SECTION 331.** 77.525 of the statutes is
21 amended to read:

22 **77.525 Reduction to prevent double taxation.** Any person who is subject
23 to the tax under s. 77.52 (2) (a) 5. ~~a.~~ on telecommunications services that terminate
24 in this state and who has paid a similar tax on the same services to another state may
25 reduce the amount of the tax remitted to this state by an amount equal to the similar

1 tax properly paid to another state on those services or by the amount due this state
2 on those services, whichever is less. That person shall refund proportionally to the
3 persons to whom the tax under s. 77.52 (2) (a) 5. ~~a-~~ was passed on an amount equal
4 to the amounts not remitted.

5 ***-0377/P10.182* *-4294/P1.164* SECTION 332.** 77.53 (1) of the statutes is
6 amended to read:

7 77.53 (1) Except as provided in sub. (1m), an excise tax is levied and imposed
8 on the use or consumption in this state of taxable services under s. 77.52 purchased
9 from any retailer, at the rate of 5% of the sales purchase price of those services; on
10 the storage, use or other consumption in this state of tangible personal property and
11 items or property under s. 77.52 (1) (b) or (c) purchased from any retailer, at the rate
12 of 5% of the sales purchase price of that the property or items; on the storage, use,
13 or other consumption of goods under s. 77.52 (1) (d) purchased from any retailer, if
14 the purchaser has the right to use the goods on a permanent or less than permanent
15 basis and regardless of whether the purchaser is required to make continued
16 payments for such right, at the rate of 5 percent of the sales price of the goods; and
17 on the storage, use or other consumption of tangible personal property or items,
18 property, or goods under s. 77.52 (1) (b), (c), or (d) manufactured, processed or
19 otherwise altered, in or outside this state, by the person who stores, uses or consumes
20 it, from material purchased from any retailer, at the rate of 5% of the sales purchase
21 price of that material.

22 ***-0377/P10.183* *-4294/P1.165* SECTION 333.** 77.53 (1b) of the statutes is
23 repealed and recreated to read:

24 77.53 (1b) The storage, use, or other consumption in this state of tangible
25 personal property or items, property, or goods under s. 77.52 (1) (b), (c), or (d), and

1 the use or other consumption in this state of a taxable service, purchased from any
2 retailer is subject to the tax imposed in this section unless an exemption in this
3 subchapter applies.

4 ***-0377/P10.184* *-4294/P1.166* SECTION 334.** 77.53 (2) of the statutes is
5 amended to read:

6 77.53 (2) Every person storing, using, or otherwise consuming in this state
7 tangible personal property, ~~or items, property, or goods specified under s. 77.52 (1)~~
8 ~~(b), (c), or (d),~~ or taxable services purchased from a retailer is liable for the tax
9 imposed by this section. The person's liability is not extinguished until the tax has
10 been paid to this state, but a receipt with the tax separately stated from a retailer
11 engaged in business in this state or from a retailer who is authorized by the
12 department, under such rules as it prescribes, to collect the tax and who is regarded
13 as a retailer engaged in business in this state for purposes of the tax imposed by this
14 section given to the purchaser under sub. (3) relieves the purchaser from further
15 liability for the tax to which the receipt refers.

16 ***-0377/P10.185* *-4294/P1.167* SECTION 335.** 77.53 (3) of the statutes is
17 amended to read:

18 77.53 (3) Every retailer engaged in business in this state and making sales of
19 tangible personal property, ~~or items, property, or goods under s. 77.52 (1) (b), (c), or~~
20 ~~(d), or taxable services for delivery into this state or with knowledge directly or~~
21 ~~indirectly that the property or service is intended for storage, use or other~~
22 ~~consumption in that are sourced to this state under s. 77.522,~~ shall, at the time of
23 making the sales or, if the storage, use or other consumption of the tangible personal
24 property or taxable service is not then taxable under this section, at the time the
25 storage, use or other consumption becomes taxable, collect the tax from the

1 purchaser and give to the purchaser a receipt in the manner and form prescribed by
2 the department.

3 *~~0377/P10.186~~* *~~4294/P1.168~~* SECTION 336. 77.53 (4) of the statutes is
4 repealed.

5 *~~0377/P10.187~~* *~~4294/P1.169~~* SECTION 337. 77.53 (9) of the statutes is
6 amended to read:

7 77.53 (9) Every retailer selling tangible personal property, or items, property,
8 or goods under s. 77.52 (1) (b), (c), or (d), or taxable services for storage, use or other
9 consumption in this state shall register with the department and obtain a certificate
10 under s. 73.03 (50) and give the name and address of all agents operating in this
11 state, the location of all distribution or sales houses or offices or other places of
12 business in this state, the standard industrial code classification of each place of
13 business in this state and the other information that the department requires. Any
14 person who may register under this subsection may designate an agent, as defined
15 in s. 77.524 (1) (ag), to register with the department under this subsection, in the
16 manner prescribed by the department.

17 *~~0377/P10.188~~* *~~4294/P1.170~~* SECTION 338. 77.53 (9m) of the statutes is
18 renumbered 77.53 (9m) (a) and amended to read:

19 77.53 (9m) (a) Any person who is not otherwise required to collect any tax
20 imposed by this subchapter and who makes sales to persons within this state of
21 tangible personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or
22 (d), or taxable services the use of which is subject to tax under this subchapter may
23 register with the department under the terms and conditions that the department
24 imposes and shall obtain a valid certificate under s. 73.03 (50) and thereby be

1 authorized and required to collect, report, and remit to the department the use tax
2 imposed by this subchapter.

3 ***-0377/P10.189* *-4294/P1.171* SECTION 339.** 77.53 (9m) (b) of the statutes
4 is created to read:

5 77.53 (9m) (b) Any person who may register under par. (a) may designate an
6 agent, as defined in s. 77.524 (1) (ag), to register with the department under par. (a),
7 in the manner prescribed by the department.

8 ***-0377/P10.190* *-4294/P1.172* SECTION 340.** 77.53 (9m) (c) of the statutes
9 is created to read:

10 77.53 (9m) (c) The registration under par. (a) by a person who is not otherwise
11 required to collect any tax imposed by this subchapter shall not be used as a factor
12 in determining whether the seller has nexus with this state for any tax at any time.

13 ***-0377/P10.191* *-4294/P1.173* SECTION 341.** 77.53 (10) of the statutes is
14 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 ***-0377/P10.192* *-4294/P1.174* SECTION 342.** 77.53 (11) of the statutes is
10 renumbered 77.53 (11) (a) and 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 ***-0377/P10.193* *-4294/P1.175* SECTION 343.** 77.53 (11) (b) of the statutes
12 is created to read:

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

19 ***-0377/P10.194* *-4294/P1.176* SECTION 344.** 77.53 (12) of the statutes is
20 amended to read:

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

1 the property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), or service
2 is first so stored or used.

3 ***-0377/P10.195* *-4294/P1.177* SECTION 345.** 77.53 (14) of the statutes is
4 amended to read:

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

8 ***-0377/P10.196* *-4294/P1.178* SECTION 346.** 77.53 (15) of the statutes is
9 repealed.

10 ***-0377/P10.197* *-4294/P1.179* SECTION 347.** 77.53 (16) of the statutes is
11 amended to read:

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

23 property, or goods under s. 77.52 (1) (b), (c), or (d), or taxable service by the state in
24 which the sale ~~occurred~~ and "state" includes the District of Columbia ~~but does not~~

*was sourced
was sourced*

to

1 ~~include and~~ the commonwealth of Puerto Rico ~~or~~ but does not include the several
2 territories organized by congress.

3 ***-0377/P10.198* *-4294/P1.180* SECTION 348.** 77.53 (17) of the statutes is
4 amended to read:

5 77.53 (17) This section does not apply to tangible personal property or items,
6 property, or goods under s. 77.52 (1) (b), (c), or (d) purchased outside this state, as
7 determined under s. 77.522, other than motor vehicles, boats, snowmobiles,
8 recreational vehicles, as defined in s. 340.01 (48r), trailers, semitrailers, all-terrain
9 vehicles and airplanes registered or titled or required to be registered or titled in this
10 state, which is brought into this state by a nondomiciliary for the person's own
11 storage, use or other consumption while temporarily within this state when such
12 property, item, or good is not stored, used or otherwise consumed in this state in the
13 conduct of a trade, occupation, business or profession or in the performance of
14 personal services for wages or fees.

15 ***-0377/P10.199* *-4294/P1.181* SECTION 349.** 77.53 (17m) of the statutes is
16 amended to read:

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

22 ***-0377/P10.200* *-4294/P1.182* SECTION 350.** 77.53 (17r) (a) of the statutes
23 is amended to read:

24 77.53 (17r) (a) It is purchased in another state, as determined under s. 77.522.