

1           **\*-0377/P10.206\* \*-4294/P1.188\* SECTION 405.** 77.54 (3m) (intro.) of the  
2 statutes is amended to read:

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

7           **\*-0377/P10.207\* \*-4294/P1.189\* SECTION 406.** 77.54 (4) of the statutes is  
8 amended to read:

9           77.54 **(4)** ~~Gross receipts~~ The sales price from the sale of tangible personal  
10 property and items, property, and goods under s. 77.52 (1) (b), (c), and (d) and the  
11 storage, use or other consumption in this state of tangible personal property and  
12 items, property, and goods under s. 77.52 (1) (b), (c), and (d), which is the subject of  
13 any such sale, by any elementary school or secondary school, exempted as such from  
14 payment of income or franchise tax under ch. 71, whether public or private.

15           **\*-0377/P10.208\* \*-4294/P1.190\* SECTION 407.** 77.54 (5) (intro.) of the  
16 statutes is amended to read:

17           77.54 **(5)** (intro.) The ~~gross receipts~~ sales price from the sale of and the storage,  
18 use or other consumption of:

19           **\*-0377/P10.209\* \*-4294/P1.191\* SECTION 408.** 77.54 (6) (intro.) of the  
20 statutes is amended to read:

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

23           **\*-0377/P10.210\* \*-4294/P1.192\* SECTION 409.** 77.54 (7m) of the statutes is  
24 amended to read:

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

17           \***-0377/P10.211\*** \***-4294/P1.193\*** SECTION 410. 77.54 (8) of the statutes is  
18 amended to read:

19           77.54 (8) Charges for ~~interest, financing or insurance,~~ not including contracts  
20 under s. 77.52 (2) (a) 13m., where such charges are separately set forth upon the  
21 invoice given by the seller to the purchaser.

22           \***-0377/P10.212\*** \***-4294/P1.194\*** SECTION 411. 77.54 (9) of the statutes is  
23 amended to read:

1           77.54 (9) The ~~gross receipts~~ sales price from sales of tickets or admissions to  
2 public and private elementary and secondary school activities, where the entire net  
3 proceeds therefrom are expended for educational, religious or charitable purposes.

4           \***-0377/P10.213\*** \***-4294/P1.195\*** SECTION 412. 77.54 (9a) (intro.) of the  
5 statutes is amended to read:

6           77.54 (9a) (intro.) The ~~gross receipts~~ sales price from sales to, and the storage  
7 by, use by or other consumption of tangible personal property, and items, property,  
8 and goods under s. 77.52 (1) (b), (c), and (d), and taxable services by:

9           \***-0377/P10.214\*** \***-4294/P1.196\*** SECTION 413. 77.54 (10) of the statutes is  
10 amended to read:

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

15           \***-0377/P10.215\*** \***-4294/P1.197\*** SECTION 414. 77.54 (11) of the statutes is  
16 amended to read:

17           77.54 (11) The ~~gross receipts~~ sales price from the sales of and the storage, use  
18 or other consumption in this state of motor vehicle fuel, general aviation fuel or  
19 alternate fuel, subject to taxation under ch. 78, unless the motor vehicle fuel or  
20 alternate fuel tax is refunded under s. 78.75 because the buyer does not use the fuel  
21 in operating a motor vehicle upon the public highways.

22           \***-0377/P10.216\*** \***-4294/P1.198\*** SECTION 415. 77.54 (12) of the statutes is  
23 amended to read:

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

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

3 **\*-0377/P10.217\* \*-4294/P1.199\* SECTION 416.** 77.54 (13) of the statutes is  
4 amended to read:

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

9 **\*-0377/P10.218\* \*-4294/P1.200\* SECTION 417.** 77.54 (14) (intro.) of the  
10 statutes is amended to read:

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

14 **\*-0377/P10.219\* \*-4294/P1.201\* SECTION 418.** 77.54 (14) (a) of the statutes  
15 is amended to read:

16 77.54 (14) (a) Prescribed for the treatment of a human being by a person  
17 authorized to prescribe the ~~medicines~~ drugs, and dispensed on prescription filled by  
18 a registered pharmacist in accordance with law.

19 **\*-0377/P10.220\* \*-4294/P1.202\* SECTION 419.** 77.54 (14) (b) of the statutes  
20 is amended to read:

21 77.54 (14) (b) Furnished by a licensed physician, surgeon, podiatrist, or dentist  
22 to a patient who is a human being for treatment of the patient.

23 **\*-0377/P10.221\* \*-4294/P1.203\* SECTION 420.** 77.54 (14) (f) (intro.) of the  
24 statutes is amended to read:

1           77.54 (14) (f) (intro.) Furnished without charge to any of the following if the  
2    medicine drug may not be dispensed without a prescription:

3           \***-0377/P10.222\*** \***-4294/P1.204\*** SECTION 421. 77.54 (14g) of the statutes is  
4    repealed.

5           \***-0377/P10.223\*** \***-4294/P1.205\*** SECTION 422. 77.54 (14s) of the statutes is  
6    repealed.

7           \***-0377/P10.224\*** \***-4294/P1.206\*** SECTION 423. 77.54 (15) of the statutes is  
8    amended to read:

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

1           \***-0377/P10.225\*** \***-4294/P1.207\*** SECTION 424. 77.54 (16) of the statutes is  
2 amended to read:

3           77.54 (16) The ~~gross receipts~~ sales price from the sale of and the storage, use  
4 or other consumption of fire trucks and fire fighting equipment, including  
5 accessories, attachments, parts and supplies therefor, sold to volunteer fire  
6 departments.

7           \***-0377/P10.226\*** \***-4294/P1.208\*** SECTION 425. 77.54 (17) of the statutes is  
8 amended to read:

9           77.54 (17) The ~~gross receipts~~ sales price from the sales of and the storage, use  
10 or other consumption of water, that is not food and food ingredient, when delivered  
11 through mains.

12           \***-0377/P10.227\*** \***-4294/P1.209\*** SECTION 426. 77.54 (18) of the statutes is  
13 amended to read:

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

1           \***-0377/P10.228\*** \***-4294/P1.210\*** SECTION 427. 77.54 (20) of the statutes is  
2 repealed.

3           \***-0377/P10.229\*** \***-4294/P1.211\*** SECTION 428. 77.54 (20m) of the statutes is  
4 repealed.

5           \***-0377/P10.230\*** \***-4294/P1.212\*** SECTION 429. 77.54 (20n) of the statutes is  
6 created to read:

7           77.54 (20n) (a) The sales price from the sale of and the storage, use, or other  
8 consumption of food and food ingredients, except candy, soft drinks, dietary  
9 supplements, and prepared food.

10          (b) The sales price from the sale of and the storage, use, or other consumption  
11 of food and food ingredients, except soft drinks, sold by hospitals, sanatoriums,  
12 nursing homes, retirement homes, community-based residential facilities, as  
13 defined in s. 50.01 (1g), or day care centers registered under ch. 48, including  
14 prepared food that is sold to the elderly or handicapped by persons providing mobile  
15 meals on wheels. In this paragraph, "retirement home" means a nonprofit  
16 residential facility where 3 or more unrelated adults or their spouses have their  
17 principal residence and where support services, including meals from a common  
18 kitchen, are available to residents.

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

23           1. An undergraduate student, a graduate student, or a student enrolled in a  
24 professional school if the student is enrolled for credit at the public or private

1 institution of higher education and if the food and food ingredients are consumed by  
2 the student.

3 2. A national football league team.

4 **\*-0377/P10.231\* \*-4294/P1.213\* SECTION 430.** 77.54 (20r) of the statutes is  
5 created to read:

6 77.54 (20r) The sales price from the sales of and the storage, use, or other  
7 consumption of candy, soft drinks, dietary supplements, and prepared foods, and  
8 disposable products that are transferred with such items, furnished for no  
9 consideration by a restaurant to the restaurant's employee during the employee's  
10 work hours.

11 **\*-0377/P10.232\* \*-4294/P1.214\* SECTION 431.** 77.54 (21) of the statutes is  
12 amended to read:

13 77.54 (21) The ~~gross receipts~~ sales price from the sales of and the storage, use  
14 or other consumption of caskets and burial vaults for human remains.

15 **\*-0377/P10.233\* \*-4294/P1.215\* SECTION 432.** 77.54 (22) of the statutes is  
16 repealed.

17 **\*-0377/P10.234\* \*-4294/P1.216\* SECTION 433.** 77.54 (22b) of the statutes is  
18 created to read:

19 77.54 (22b) The sales price from the sale of and the storage, use, or other  
20 consumption of durable medical equipment that is for use in a person's home,  
21 mobility-enhancing equipment, and prosthetic devices, and accessories for such  
22 equipment or devices, if the equipment or devices are used for a human being.

23 **\*-0377/P10.235\* \*-4294/P1.217\* SECTION 434.** 77.54 (23m) of the statutes is  
24 amended to read:



1           77.54 (23m) The ~~gross receipts~~ sales price from the sale, license, lease or rental  
2 of or the storage, use or other consumption of motion picture film or tape, and motion  
3 pictures or radio or television programs for listening, viewing, or broadcast, and  
4 advertising materials related thereto, sold, licensed, leased or rented to a motion  
5 picture theater or radio or television station.

6           \*~~-0377/P10.236~~\* \*~~-4294/P1.218~~\* SECTION 435. 77.54 (25) of the statutes, as  
7 affected by 2007 Wisconsin Act 20, is amended to read:

8           77.54 (25) The ~~gross receipts~~ sales price from the sale of and the storage of  
9 printed material which is designed to advertise and promote the sale of merchandise,  
10 or to advertise the services of individual business firms, which printed material is  
11 purchased and stored for the purpose of subsequently transporting it outside the  
12 state by the purchaser for use thereafter solely outside the state. This subsection  
13 does not apply to catalogs and the envelopes in which the catalogs are mailed.

14           \*~~-0377/P10.237~~\* \*~~-4294/P1.219~~\* SECTION 436. 77.54 (25m) of the statutes,  
15 as created by 2007 Wisconsin Act 20, is amended to read:

16           77.54 (25m) The ~~gross receipts~~ sales price from the sale of and the storage, use,  
17 or other consumption of catalogs, and the envelopes in which the catalogs are mailed,  
18 that are designed to advertise and promote the sale of merchandise or to advertise  
19 the services of individual business firms.

20           \*~~-0377/P10.238~~\* \*~~-4294/P1.220~~\* SECTION 437. 77.54 (26) of the statutes is  
21 amended to read:

22           77.54 (26) The ~~gross receipts~~ sales price from the sales of and the storage, use,  
23 or other consumption of tangible personal property and items and property under s.  
24 77.52 (1) (b) and (c) which becomes a component part of an industrial waste  
25 treatment facility that is exempt under s. 70.11 (21) or that would be exempt under

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

13 \***-0377/P10.239\*** \***-4294/P1.221\*** SECTION 438. 77.54 (26m) of the statutes is  
14 amended to read:

15 77.54 (26m) The ~~gross receipts~~ sales price from the sale of and the storage, use  
16 or other consumption of waste reduction or recycling machinery and equipment,  
17 including parts therefor, exclusively and directly used for waste reduction or  
18 recycling activities which reduce the amount of solid waste generated, reuse solid  
19 waste, recycle solid waste, compost solid waste or recover energy from solid waste.  
20 The exemption applies even though an economically useful end product results from  
21 the use of the machinery and equipment. For the purposes of this subsection, "solid  
22 waste" means garbage, refuse, sludge or other materials or articles, whether these  
23 materials or articles are discarded or purchased, including solid, semisolid, liquid or  
24 contained gaseous materials or articles resulting from industrial, commercial,

1 mining or agricultural operations or from domestic use or from public service  
2 activities.

3 **\*-0377/P10.240\* \*-4294/P1.222\* SECTION 439.** 77.54 (27) of the statutes is  
4 amended to read:

5 77.54 (27) The ~~gross receipts~~ sales price from the sale of semen used for  
6 artificial insemination of livestock.

7 **\*-0377/P10.241\* \*-4294/P1.223\* SECTION 440.** 77.54 (28) of the statutes is  
8 amended to read:

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

13 **\*-0377/P10.242\* \*-4294/P1.224\* SECTION 441.** 77.54 (29) of the statutes is  
14 amended to read:

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

17 **\*-0377/P10.243\* \*-4294/P1.225\* SECTION 442.** 77.54 (30) (a) (intro.) of the  
18 statutes is amended to read:

19 77.54 (30) (a) (intro.) The ~~gross receipts~~ sales price from the sale of:

20 **\*-0377/P10.244\* \*-4294/P1.226\* SECTION 443.** 77.54 (30) (c) of the statutes  
21 is amended to read:

22 77.54 (30) (c) If fuel or electricity is sold partly for a use exempt under this  
23 subsection and partly for a use which is not exempt under this subsection, no tax  
24 shall be collected on that percentage of the ~~gross receipts~~ sales price equal to the

1 percentage of the fuel or electricity which is used for an exempt use, as specified in  
2 an exemption certificate provided by the purchaser to the seller.

3 **\*-0377/P10.245\* \*-4294/P1.227\* SECTION 444.** 77.54 (31) of the statutes is  
4 amended to read:

5 77.54 (31) The ~~gross receipts~~ sales price from the sale of and the storage, use  
6 or other consumption in this state, but not the lease or rental, of used mobile homes,  
7 as defined in s. 101.91 (10), and used manufactured homes, as defined in s. 101.91  
8 (12).

9 **\*-0377/P10.246\* \*-4294/P1.228\* SECTION 445.** 77.54 (32) of the statutes is  
10 amended to read:

11 77.54 (32) The ~~gross receipts~~ sales price from charges, including charges for a  
12 search, imposed by an authority, as defined in s. 19.32 (1), for copies of a public record  
13 that a person may examine and use under s. 16.61 (12) or for copies of a record under  
14 s. 19.35 (1).

15 **\*-0377/P10.247\* \*-4294/P1.229\* SECTION 446.** 77.54 (33) of the statutes is  
16 amended to read:

17 77.54 (33) The ~~gross receipts~~ sales price from sales of and the storage, use or  
18 other consumption of ~~medieines~~ drugs used on farm livestock, not including  
19 workstock.

20 **\*-0377/P10.248\* \*-4294/P1.230\* SECTION 447.** 77.54 (35) of the statutes is  
21 amended to read:

22 77.54 (35) The ~~gross receipts~~ sales price from the sales of tangible personal  
23 property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), tickets, or  
24 admissions by any baseball team affiliated with the Wisconsin Department of  
25 American Legion baseball.

1           **\*-0377/P10.249\* \*-4294/P1.231\* SECTION 448.** 77.54 (36) of the statutes is  
2 amended to read:

3           77.54 (36) The ~~gross receipts~~ sales price from the rental for a continuous period  
4 of one month or more of a mobile home, as defined in s. 101.91 (10), or a manufactured  
5 home, as defined in s. 101.91 (2), that is used as a residence. In this subsection, "one  
6 month" means a calendar month or 30 days, whichever is less, counting the first day  
7 of the rental and not counting the last day of the rental.

8           **\*-0377/P10.250\* \*-4294/P1.232\* SECTION 449.** 77.54 (37) of the statutes is  
9 amended to read:

10           77.54 (37) The ~~gross receipts~~ sales price from revenues collected under s.  
11 256.35 (3) and the surcharge established by rule by the public service commission  
12 under s. 256.35 (3m) (f) for customers of wireless providers, as defined in s. 256.35  
13 (3m) (a) 6.

14           **\*-0377/P10.251\* \*-4294/P1.233\* SECTION 450.** 77.54 (38) of the statutes is  
15 amended to read:

16           77.54 (38) The ~~gross receipts~~ sales price from the sale of and the storage, use  
17 or other consumption of snowmobile trail groomers and attachments for them that  
18 are purchased, stored, used or consumed by a snowmobile club that meets at least  
19 3 times a year, that has at least 10 members, that promotes snowmobiling and that  
20 participates in the department of natural resources' snowmobile program under s.  
21 350.12 (4) (b).

22           **\*-0377/P10.252\* \*-4294/P1.234\* SECTION 451.** 77.54 (39) of the statutes is  
23 amended to read:

24           77.54 (39) The ~~gross receipts~~ sales price from the sale of and the storage, use  
25 or other consumption of off-highway, heavy mechanical equipment such as feller

1 bunchers, slashers, delimiters, chippers, hydraulic loaders, loaders,  
2 skidder-forwarders, skidders, timber wagons and tractors used exclusively and  
3 directly in the harvesting or processing of raw timber products in the field by a person  
4 in the logging business. In this subsection, "heavy mechanical equipment" does not  
5 include hand tools such as axes, chains, chain saws and wedges.

6 **\*-0377/P10.253\* \*-4294/P1.235\* SECTION 452.** 77.54 (40) of the statutes is  
7 repealed.

8 **\*-0377/P10.254\* \*-4294/P1.236\* SECTION 453.** 77.54 (41) of the statutes is  
9 amended to read:

10 77.54 (41) The ~~gross receipts~~ sales price from the sale of building materials,  
11 supplies and equipment to; and the storage, use or other consumption of those kinds  
12 of property by; owners, contractors, subcontractors or builders if that property is  
13 acquired solely for or used solely in, the construction, renovation or development of  
14 property that would be exempt under s. 70.11 (36).

15 **\*-0377/P10.255\* \*-4294/P1.237\* SECTION 454.** 77.54 (42) of the statutes is  
16 amended to read:

17 77.54 (42) The ~~gross receipts~~ sales price from the sale of and the storage, use  
18 or other consumption of animal identification tags provided under s. 93.06 (1h) and  
19 standard samples provided under s. 93.06 (1s).

20 **\*-0377/P10.256\* \*-4294/P1.238\* SECTION 455.** 77.54 (43) of the statutes is  
21 amended to read:

22 77.54 (43) The ~~gross receipts~~ sales price from the sale of and the storage, use  
23 or other consumption of raw materials used for the processing, fabricating or  
24 manufacturing of, or the attaching to or incorporating into, printed materials that  
25 are transported and used solely outside this state.

1           **\*-0377/P10.257\* \*-4294/P1.239\* SECTION 456.** 77.54 (44) of the statutes is  
2 amended to read:

3           77.54 (44) The ~~gross receipts~~ sales price from the collection of low-income  
4 assistance fees that are charged under s. 16.957 (4) (a) or (5) (a).

5           **\*-0377/P10.258\* \*-4294/P1.240\* SECTION 457.** 77.54 (45) of the statutes is  
6 amended to read:

7           77.54 (45) The ~~gross receipts~~ sales price from the sale of and the use or other  
8 consumption of a onetime license or similar right to purchase admission to  
9 professional football games at a football stadium, as defined in s. 229.821 (6), that  
10 is granted by a municipality; a local professional football stadium district; or a  
11 professional football team or related party, as defined in s. 229.821 (12); if the person  
12 who buys the license or right is entitled, at the time the license or right is transferred  
13 to the person, to purchase admission to at least 3 professional football games in this  
14 state during one football season.

15           **\*-0377/P10.259\* \*-4294/P1.241\* SECTION 458.** 77.54 (46) of the statutes is  
16 amended to read:

17           77.54 (46) The ~~gross receipts~~ sales price from the sale of and the storage, use,  
18 or other consumption of the U.S. flag or the state flag. This subsection does not apply  
19 to a representation of the U.S. flag or the state flag.

20           **\*-0377/P10.260\* \*-4294/P1.242\* SECTION 459.** 77.54 (46m) of the statutes is  
21 amended to read:

22           77.54 (46m) The ~~gross receipts~~ sales price from the sale of and the storage, use,  
23 or other consumption of telecommunications services, if the telecommunications  
24 services are obtained by using the rights to purchase telecommunications services,  
25 including purchasing reauthorization numbers, by paying in advance and by using

1 an access number and authorization code; and if the tax imposed under s. 77.52 or  
2 77.53 was previously paid on the sale or purchase of such rights.

3 **\*-0377/P10.261\* \*-4294/P1.243\* SECTION 460.** 77.54 (47) (intro.) of the  
4 statutes is amended to read:

5 77.54 (47) (intro.) The ~~gross receipts~~ sales price from the sale of and the storage,  
6 use, or other consumption of all of the following:

7 **\*-0377/P10.262\* \*-4294/P1.244\* SECTION 461.** 77.54 (47) (b) 1. of the statutes  
8 is amended to read:

9 77.54 (47) (b) 1. The shooting facility is required to pay the tax imposed under  
10 s. 77.52 on its ~~gross receipts~~ the sales price from charges for shooting at the facility.

11 **\*-0377/P10.263\* \*-4294/P1.245\* SECTION 462.** 77.54 (47) (b) 2. of the statutes  
12 is amended to read:

13 77.54 (47) (b) 2. The shooting facility is a nonprofit organization that charges  
14 for shooting at the facility, but is not required to pay the tax imposed under s. 77.52  
15 on its ~~gross receipts~~ sales price from such charges because the charges are for  
16 occasional sales, as provided under sub. (7m), or because the charges satisfy the  
17 exemption under s. 77.52 (2) (a) 2. b.

18 **\*-0377/P10.264\* \*-4294/P1.246\* SECTION 463.** 77.54 (48) (a) of the statutes  
19 is renumbered 77.585 (9) (a) and amended to read:

20 77.585 (9) (a) Subject to 2005 Wisconsin Act 479, section 17, the ~~gross receipts~~  
21 ~~from the sale of and the storage, use, or other consumption~~ a purchaser may claim  
22 as a deduction that portion of its purchase price of Internet equipment used in the  
23 broadband market for which the tax was imposed under this subchapter, if the  
24 purchaser certifies to the department of commerce, in the manner prescribed by the  
25 department of commerce, that the purchaser will, within 24 months after July 1,



1 2007, make an investment that is reasonably calculated to increase broadband  
2 Internet availability in this state. The purchaser shall claim the deduction in the  
3 same reporting period as the purchaser paid the tax imposed under this subchapter.

4 \***-0377/P10.265\*** \***-4294/P1.247\*** SECTION 464. 77.54 (48) (b) of the statutes  
5 is renumbered 77.585 (9) (b).

6 \***-0377/P10.266\*** \***-4294/P1.248\*** SECTION 465. 77.54 (49) of the statutes is  
7 amended to read:

8 77.54 (49) The ~~gross receipts~~ sales price from the sale of and the storage, use,  
9 or other consumption of taxable services and tangible personal property or items,  
10 property, or goods under s. 77.52 (1) (b), (c), or (d), that is are physically transferred  
11 to the purchaser as a necessary part of services that are subject to the taxes imposed  
12 under s. 77.52 (2) (a) 7., 10., 11., and 20., if the seller and the purchaser of such  
13 services and property, item, or good are members of the same affiliated group under  
14 section 1504 of the Internal Revenue Code and are eligible to file a single  
15 consolidated return for federal income tax purposes. For purposes of this subsection,  
16 if a seller purchases a taxable service, or item, property, or goods under s. 77.52 (1)  
17 (b), (c), or (d), or tangible personal property, as described in ~~the~~ this subsection, that  
18 is subsequently sold to a member of the seller's affiliated group and the sale is exempt  
19 under this subsection from the taxes imposed under this subchapter, the original  
20 purchase of the taxable service, or item, property, or goods under s. 77.52 (1) (b), (c),  
21 or (d), or tangible personal property by the seller is not considered a sale for resale  
22 or exempt under this subsection.

23 \***-0377/P10.267\*** SECTION 466. 77.54 (50) of the statutes is created to read:

24 77.54 (50) The sales price from the sale of and the storage, use, or other  
25 consumption of specified digital goods or additional digital goods, if the sale of and

1 the storage, use, or other consumption of such goods sold in a tangible form is exempt  
2 from taxation under this subchapter.

3 **\*-0377/P10.268\* \*-4294/P1.249\* SECTION 467.** 77.54 (51) of the statutes is  
4 created to read:

5 77.54 (51) The sales price from the sales of and the storage, use, or other  
6 consumption of products sold in a transaction that would be a bundled transaction,  
7 except that it contains taxable and nontaxable products as described in s. 77.51 (1f)  
8 (d), and except that the first person combining the products shall pay the tax imposed  
9 under this subchapter on the person's purchase price of the taxable items.

10 **\*-0377/P10.269\* \*-4294/P1.250\* SECTION 468.** 77.54 (52) of the statutes is  
11 created to read:

12 77.54 (52) The sales price from the sales of and the storage, use, or other  
13 consumption of products sold in a transaction that would be a bundled transaction,  
14 except that the transaction meets the conditions described in s. 77.51 (1f) (e).

15 **\*-0377/P10.270\* \*-4294/P1.251\* SECTION 469.** 77.54 (54) of the statutes is  
16 amended to read:

17 77.54 (54) The ~~gross receipts~~ sales price from the sale of and the storage, use,  
18 or other consumption of tangible personal property, and items, property, and goods  
19 under s. 77.52 (1) (b), (c), and (d), and taxable services that are sold by a home  
20 exchange service that receives moneys from the appropriation account under s.  
21 20.485 (1) (g) and is operated by the department of veterans affairs.

22 **\*-0377/P10.271\* \*-4294/P1.252\* SECTION 470.** 77.54 (56) of the statutes, as  
23 created by 2007 Wisconsin Act 20, is amended to read:

24 77.54 (56) (a) The ~~gross receipts~~ sales price from the sale of and the storage,  
25 use, or other consumption of a product whose power source is wind energy, direct

1 radiant energy received from the sun, or gas generated from anaerobic digestion of  
2 animal manure and other agricultural waste, if the product produces at least 200  
3 watts of alternating current or 600 British thermal units per day, except that the  
4 exemption under this subsection does not apply to an uninterruptible power source  
5 that is designed primarily for computers.

6 (b) Except for the sale of electricity or energy that is exempt from taxation  
7 under sub. (30), the ~~gross receipts~~ sales price from the sale of and the storage, use,  
8 or other consumption of electricity or energy produced by a product described under  
9 par. (a).

10 **\*-0377/P10.272\* \*-4294/P1.253\* SECTION 471.** 77.55 (1) (intro.) of the  
11 statutes is amended to read:

12 77.55 (1) (intro.) There are is exempted from the computation of the amount  
13 of the sales tax the ~~gross receipts~~ sales price from the sale of any tangible personal  
14 property, or items, property, or goods under s. 77.52 (1) (b), (c), and (d), or services to:

15 **\*-0377/P10.273\* \*-4294/P1.254\* SECTION 472.** 77.55 (2) of the statutes is  
16 amended to read:

17 77.55 (2) There are is exempted from the computation of the amount of the sales  
18 tax the ~~gross receipts~~ sales price from sales of tangible personal property, and items,  
19 property, and goods under s. 77.52 (1) (b), (c), and (d), to a common or contract carrier,  
20 shipped by the seller via the purchasing carrier under a bill of lading whether the  
21 freight is paid in advance, or the shipment is made freight charges collect, to a point  
22 outside this state and the property, item, or good is actually transported to the  
23 out-of-state destination for use by the carrier in the conduct of its business as a  
24 carrier.

1           **\*-0377/P10.274\* \*-4294/P1.255\* SECTION 473.** 77.55 (2m) of the statutes is  
2 amended to read:

3           77.55 (2m) There ~~are~~ is exempted from the computation of the amount of sales  
4 tax the ~~gross receipts~~ sales price from sales of railroad crossties to a common or  
5 contract carrier, shipped wholly or in part by way of the purchasing carrier under a  
6 bill of lading, whether the freight is paid in advance or the shipment is made freight  
7 charges collect, to a point outside this state if the property is transported to the  
8 out-of-state destination for use by the carrier in the conduct of its business as a  
9 carrier. Interruption of the shipment for storage, drying, processing or creosoting of  
10 the railroad crossties in this state does not invalidate the exemption under this  
11 subsection.

12           **\*-0377/P10.275\* \*-4294/P1.256\* SECTION 474.** 77.55 (3) of the statutes is  
13 amended to read:

14           77.55 (3) There ~~are~~ is exempted from the computation of the amount of the sales  
15 tax the ~~gross receipts~~ sales price from sales of tangible personal property, and items,  
16 property, and goods under s. 77.52 (1) (b), (c), and (d), purchased for use solely outside  
17 this state and delivered to a forwarding agent, export packer, or other person  
18 engaged in the business of preparing goods for export or arranging for their  
19 exportation, and actually delivered to a port outside the continental limits of the  
20 United States prior to making any use thereof.

21           **\*-0377/P10.276\* \*-4294/P1.257\* SECTION 475.** 77.56 (1) of the statutes is  
22 amended to read:

23           77.56 (1) The storage, use or other consumption in this state of property,  
24 including items, property, and goods under s. 77.52 (1) (b), (c), and (d), the gross

1 ~~receipts~~ sales price from the sale of which ~~are~~ is reported to the department in the  
2 measure of the sales tax, is exempted from the use tax.

3 \*~~-0377/P10.277~~\* \*~~-4294/P1.258~~\* SECTION 476. 77.57 of the statutes is  
4 amended to read:

5 **77.57 Liability of purchaser.** If a purchaser certifies in writing to a seller  
6 that the tangible personal property or items, property, or goods under s. 77.52 (1) (b),  
7 (c), or (d) purchased will be used in a manner or for a purpose entitling the seller to  
8 regard the ~~gross receipts~~ sales price from the sale as exempted by this subchapter  
9 from the computation of the amount of the sales tax and uses the property or items,  
10 property, or goods under s. 77.52 (1) (b), (c), or (d) in some other manner or for some  
11 other purpose, the purchaser is liable for payment of the sales tax. The tax shall be  
12 measured by the sales price of the property or items, property, or goods under s. 77.52  
13 (1) (b), (c), or (d) to the purchaser, ~~but if the taxable use first occurs more than 6~~  
14 ~~months after the sale to the purchaser, the purchaser may use as the measure of the~~  
15 ~~tax either that sales price or the fair market value of the property at the time the~~  
16 ~~taxable use first occurs.~~

17 \*~~-0377/P10.278~~\* \*~~-4294/P1.259~~\* SECTION 477. 77.58 (3) (a) of the statutes is  
18 amended to read:

19 77.58 (3) (a) For purposes of the sales tax a return shall be filed by every seller.  
20 For purposes of the use tax a return shall be filed by every retailer engaged in  
21 business in this state and by every person purchasing tangible personal property, or  
22 items, property, or goods under s. 77.52 (1) (b), (c), or (d), or services, the storage, use,  
23 or other consumption of which is subject to the use tax, who has not paid the use tax  
24 due to a retailer required to collect the tax. If a qualified subchapter S subsidiary  
25 is not regarded as a separate entity under ch. 71, the owner of that subsidiary shall

1 include the information for that subsidiary on the owner's return. Returns shall be  
2 signed by the person required to file the return or by a duly authorized agent but need  
3 not be verified by oath. If a single-owner entity is disregarded as a separate entity  
4 under ch. 71, the owner shall include the information from the entity on the owner's  
5 return.

6 **\*-0377/P10.279\* \*-4294/P1.260\* SECTION 478.** 77.58 (3) (b) of the statutes is  
7 amended to read:

8 77.58 (3) (b) ~~For purposes of the sales tax the return shall show the gross~~  
9 ~~receipts of the seller during the preceding reporting period. For purposes of the use~~  
10 ~~tax, in case of a return filed by a retailer, the return shall show the total sales price~~  
11 ~~of the property or taxable services sold, the storage, use or consumption of which~~  
12 ~~became subject to the use tax during the preceding reporting period. In case of a sales~~  
13 ~~or use tax return filed by a purchaser, the return shall show the total sales price of~~  
14 ~~the property and taxable services purchased, the storage, use or consumption of~~  
15 ~~which became subject to the use tax during the preceding reporting period. The~~  
16 return shall also show the amount of the taxes for the period covered by the return  
17 and such other information as the department deems necessary for the proper  
18 administration of this subchapter.

19 **\*-0377/P10.280\* \*-4294/P1.261\* SECTION 479.** 77.58 (6) of the statutes is  
20 amended to read:

21 77.58 (6) For the purposes of the sales tax ~~gross receipts, the sales price~~ from  
22 rentals or leases of tangible personal property or items, property, or goods under s.  
23 77.52 (1) (b), (c), or (d) shall be reported and the tax paid in accordance with such rules  
24 as the department prescribes.

1           \***-0377/P10.281\*** \***-4294/P1.262\*** **SECTION 480.** 77.58 (6m) of the statutes is  
2 created to read:

3           77.58 **(6m)** (a) The department may, in cases where it is satisfied that an undue  
4 hardship would otherwise result, permit the reporting of a sales price or purchase  
5 price on some basis other than the accrual basis.

6           (b) The entire sales price of credit transactions shall be reported in the period  
7 in which the sale is made without reduction in the amount of tax payable by the  
8 retailer by reason of the retailer's transfer at a discount of any open account, note,  
9 conditional sales contract, lease contract, or other evidence of indebtedness.

10          \***-0377/P10.282\*** \***-4294/P1.263\*** **SECTION 481.** 77.58 (9a) of the statutes is  
11 created to read:

12          77.58 **(9a)** In addition to filing a return as provided in this section, a person  
13 described under s. 77.524 (3), (4), or (5) shall provide to the department any  
14 information that the department considers necessary for the administration of this  
15 subchapter, in the manner prescribed by the department, except that the  
16 department may not require that the person provide such information to the  
17 department more than once every 180 days.

18          \***-0377/P10.283\*** \***-4294/P1.264\*** **SECTION 482.** 77.585 of the statutes is  
19 created to read:

20          **77.585 Return adjustments.** (1) (a) In this subsection, "bad debt" means the  
21 portion of the sales price or purchase price that the seller has reported as taxable  
22 under this subchapter and that the seller may claim as a deduction under section 166  
23 of the Internal Revenue Code. "Bad debt" does not include financing charges or  
24 interest, sales or use taxes imposed on the sales price or purchase price, uncollectible  
25 amounts on tangible personal property or items, property, or goods under s. 77.52 (1)

1 (b), (c), or (d) that remain in the seller's possession until the full sales price or  
2 purchase price is paid, expenses incurred in attempting to collect any debt, debts sold  
3 or assigned to 3rd parties for collection, and repossessed property or items.

4 (b) A seller may claim as a deduction on a return under s. 77.58 the amount of  
5 any bad debt that the seller writes off as uncollectible in the seller's books and records  
6 and that is eligible to be deducted as a bad debt for federal income tax purposes,  
7 regardless of whether the seller is required to file a federal income tax return. A  
8 seller who claims a deduction under this paragraph shall claim the deduction on the  
9 return under s. 77.58 that is submitted for the period in which the seller writes off  
10 the amount of the deduction as uncollectible in the seller's books and records and in  
11 which such amount is eligible to be deducted as bad debt for federal income tax  
12 purposes. If the seller subsequently collects in whole or in part any bad debt for  
13 which a deduction is claimed under this paragraph, the seller shall include the  
14 amount collected in the return filed for the period in which the amount is collected  
15 and shall pay the tax with the return.

16 (c) For purposes of computing a bad debt deduction or reporting a payment  
17 received on a previously claimed bad debt, any payment made on a debt or on an  
18 account is applied first to the price of the tangible personal property, or items,  
19 property, or goods under s. 77.52 (1) (b), (c), or (d), or service sold, and the  
20 proportionate share of the sales tax on that property, or items, property, or goods  
21 under s. 77.52 (1) (b), (c), or (d), or service, and then to interest, service charges, and  
22 other charges related to the sale.

23 (d) A seller may obtain a refund of the tax collected on any bad debt amount  
24 deducted under par. (b) that exceeds the amount of the seller's taxable sales as  
25 provided under s. 77.59 (4), except that the period for making a claim as determined



1 under s. 77.59 (4) begins on the date on which the return on which the bad debt could  
2 be claimed would have been required to be submitted to the department under s.  
3 77.58.

4 (e) If a seller is using a certified service provider, the certified service provider  
5 may claim a bad debt deduction under this subsection on the seller's behalf if the  
6 seller has not claimed and will not claim the same deduction. A certified service  
7 provider who receives a bad debt deduction under this subsection shall credit that  
8 deduction to the seller and a certified service provider who receives a refund under  
9 this subsection shall submit that refund to the seller.

10 (f) If a bad debt relates to the retail sales of tangible personal property, or items,  
11 property, or goods under s. 77.52 (1) (b), (c), or (d), or taxable services that were  
12 sourced to this state and to one or more other states, as determined under s. 77.522,  
13 the total amount of such bad debt shall be apportioned among the states to which the  
14 underlying sales were sourced in a manner prescribed by the department to arrive  
15 at the amount of the deduction under par. (b).

16 (2) If a lessor of tangible personal property or items, property, or goods under  
17 s. 77.52 (1) (b), (c), or (d) has reimbursed the vendor for the sales tax on the sale of  
18 the property, items, or goods by the vendor to the lessor, the tax due from the lessor  
19 on the rental receipts may be offset by a credit equal to the tax otherwise due on the  
20 rental receipts from the property, items, or goods for the reporting period. The credit  
21 shall expire when the cumulative rental receipts equal the sales price upon which  
22 the vendor paid sales taxes to this state.

23 (3) If a purchaser of tangible personal property or items, property, or goods  
24 under s. 77.52 (1) (b), (c), or (d) has reimbursed the vendor of the property, items, or  
25 goods for the sales tax on the sale and subsequently, before making any use of the

1 property, items, or goods other than retention, demonstration, or display while  
2 holding it for sale or rental, makes a taxable sale of the property, items, or goods the  
3 tax due on the taxable sale may be offset by the tax reimbursed.

4 (4) A seller may claim a deduction on any part of the sales price or purchase  
5 price that the seller refunds in cash or credit as a result of returned tangible personal  
6 property or items, property, or goods under s. 77.52 (1) (b), (c), or (d) or adjustments  
7 in the sales price or purchase price after the sale has been completed, if the seller has  
8 included the refunded price in a prior return made by the seller and has paid the tax  
9 on such price, and if the seller has returned to the purchaser in cash or in credit all  
10 tax previously paid by the purchaser on the amount of the refund at the time of the  
11 purchase. A deduction under this subsection shall be claimed on the return for the  
12 period in which the refund is paid.

13 (5) No reduction in the amount of tax payable by the retailer is allowable in the  
14 event that tangible personal property or items, property, or goods under s. 77.52 (1)  
15 (b), (c), or (d) sold on credit are repossessed except where the entire consideration  
16 paid by the purchaser is refunded to the purchaser or where a credit for a worthless  
17 account is allowable under sub. (1).

18 (6) A purchaser who is subject to the use tax on the storage, use, or other  
19 consumption of fuel may claim a deduction from the purchase price that is subject  
20 to the use tax for fuel taxes refunded by this state or the United States to the  
21 purchaser that is included in the purchase price of the fuel.

22 (7) For sales tax purposes, if a retailer establishes to the department's  
23 satisfaction that the sales tax has been added to the total amount of the sales price  
24 and has not been absorbed by the retailer, the total amount of the sales price shall  
25 be the amount received exclusive of the sales tax imposed.

1           (8) A sale or purchase involving transfer of ownership of tangible personal  
2 property or items, property, or goods under s. 77.52 (1) (b), (c), or (d) is completed at  
3 the time when possession is transferred by the seller or the seller's agent to the  
4 purchaser or the purchaser's agent, except that for purposes of sub. (1) a common  
5 carrier or the U.S. postal service shall be considered the agent of the seller, regardless  
6 of any f.o.b. point and regardless of the method by which freight or postage is paid.

7           \***-0377/P10.284\*** \***-4294/P1.265\*** SECTION 483. 77.59 (2m) of the statutes is  
8 created to read:

9           77.59 (2m) The department may audit, or may authorize others to audit, sellers  
10 and certified service providers who are registered with the department pursuant to  
11 the agreement, as defined in s. 77.65 (2) (a).

12           \***-0377/P10.285\*** \***-4294/P1.266\*** SECTION 484. 77.59 (5m) of the statutes is  
13 amended to read:

14           77.59 (5m) A seller who receives a refund under sub. (4) (a) or (b) of taxes that  
15 the seller has collected from buyers, who collects amounts as taxes erroneously from  
16 buyers, but who does not remit such amounts to the state, or who is entitled to a  
17 refund under sub. (4) (a) or (b) that is offset under sub. (5), shall submit the taxes and  
18 related interest to the buyers from whom the taxes were collected, or to the  
19 department if the seller cannot locate the buyers, within 90 days after the date of the  
20 refund, after the date of the offset, or after discovering that the seller has collected  
21 taxes erroneously from the buyers. If the seller does not submit the taxes and related  
22 interest to the department or the buyers within that period, the seller shall submit  
23 to the department any part of a refund or taxes that the seller does not submit to a  
24 buyer or to the department along with a penalty of 25% of the amount not submitted  
25 or, in the case of fraud, a penalty equal to the amount not submitted. A person who

1 collects amounts as taxes erroneously from buyers for a real property construction  
2 activity or nontaxable service may reduce the taxes and interest that he or she is  
3 required to submit to the buyer or to the department under this subsection for that  
4 activity or service by the amount of tax and interest subsequently due and paid on  
5 the sale of or the storage, use, or other consumption of tangible personal property, or  
6 items, property, or goods under s. 77.52 (1) (b), (c), or (d) that is are used by the person  
7 in that activity or service and transferred to the buyer.

8 **\*-0377/P10.286\* \*-4294/P1.267\* SECTION 485.** 77.59 (9) of the statutes is  
9 amended to read:

10 77.59 (9) If any person fails to file a return, the department shall make an  
11 estimate of the amount of the ~~gross receipts~~ sales price of the ~~person~~ person's sales,  
12 or, as the case may be, of the amount of the total ~~sales~~ purchase price of tangible  
13 personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), or  
14 taxable service sold or purchased by the person, the sale by or the storage, use, or  
15 other consumption of which in this state is subject to sales or use tax. The estimate  
16 shall be made for the period in respect to which the person failed to make a return  
17 and shall be based upon any information which is in the department's possession or  
18 may come into its possession. Upon the basis of this estimate the department shall  
19 compute and determine the amount required to be paid to the state, adding to the  
20 sum thus arrived at a penalty equal to 25% thereof. One or more such determinations  
21 may be made for one or for more than one period. When a business is discontinued  
22 a determination may be made at any time thereafter, within the periods specified in  
23 sub. (3), as to liability arising out of that business.

24 **\*-0377/P10.287\* \*-4294/P1.268\* SECTION 486.** 77.59 (9n) of the statutes is  
25 created to read:

1           77.59 (9n) (a) Notwithstanding s. 73.03 (47), and except as provided in par. (b),  
2 no seller or certified service provider is liable for tax, interest, or penalties imposed  
3 on a transaction under this subchapter if the seller or certified service provider  
4 charged and collected the incorrect amount of the sales or use tax as a result of  
5 relying on erroneous data provided in the databases under s. 73.03 (61) (e) and (f).

6           (b) Notwithstanding s. 73.03 (47), no seller or certified service provider is liable  
7 for the tax, interest, or penalties imposed on a transaction under this subchapter if  
8 the seller or certified service provider failed to collect the sales and use taxes due on  
9 an item or transaction because the seller or certified service provider relied on the  
10 certification under s. 73.03 (61) (b). This paragraph does not apply to a seller or  
11 certified service provider who has incorrectly classified an item or transaction into  
12 a specific product category, unless such classification was approved by the states that  
13 are signatories to the agreement, as defined in s. 77.65 (2) (a). If the state determines  
14 that it has incorrectly classified an item or transaction, sellers and certified service  
15 providers that do not revise the classification of the item or transaction within 10  
16 days after receiving notice from the department that an item or transaction was  
17 incorrectly classified are liable for the tax, interest, or penalties imposed on the item  
18 or transaction for the incorrect classification after the 10-day period.

19           (c) A purchaser is not liable for the tax, interest, or penalties imposed on a  
20 transaction under this subchapter if the seller or certified service provider from  
21 whom the purchaser made the purchase relied on erroneous data provided in the  
22 databases under s. 73.03 (61) (e) and (f) or if the purchaser relied on erroneous data  
23 provided in the databases under s. 73.03 (61) (e) and (f). With respect to reliance on  
24 the database provided under s. 73.03 (61) (e), the relief provided under this  
25 paragraph is limited to the erroneous classification in the database of terms defined

1 in this subchapter and specifically identified in the database as being “taxable,”  
2 “exempt,” “included in sales price” or “excluded from sales price,” or “included in the  
3 definition” or “excluded from the definition.”

4 \***-0377/P10.288\*** \***-4294/P1.269\*** SECTION 487. 77.59 (9p) (b) of the statutes  
5 is created to read:

6 77.59 (9p) (b) If a customer purchases a service that is not subject to 4 USC 116  
7 to 126, as amended by P.L. 106-252, tangible personal property, or items, property,  
8 or goods under s. 77.52 (1) (b), (c), or (d), and if the customer believes that the amount  
9 of the tax assessed for the sale of the service, property, items, or goods under this  
10 subchapter is erroneous, the customer may request that the seller correct the alleged  
11 error by sending a written notice to the seller. The notice shall include a description  
12 of the alleged error and any other information that the seller reasonably requires to  
13 process the request. Within 60 days from the date that a seller receives a request  
14 under this paragraph, the seller shall review its records to determine the validity of  
15 the customer’s claim. If the review indicates that there is no error as alleged, the  
16 seller shall explain the findings of the review in writing to the customer. If the review  
17 indicates that there is an error as alleged, the seller shall correct the error and shall  
18 refund the amount of any tax collected erroneously, along with the related interest,  
19 as a result of the error from the customer, consistent with s. 77.59 (4). A customer  
20 may take no other action against the seller, or commence any action against the  
21 seller, to correct an alleged error in the amount of the tax assessed under this  
22 subchapter on a service that is not subject to 4 USC 116 to 126, as amended by P.L.  
23 106-252, tangible personal property, or items, property, or goods under s. 77.52 (1)  
24 (b), (c), or (d) unless the customer has exhausted his or her remedies under this  
25 paragraph.

1           \***-0377/P10.289\*** \***-4294/P1.270\*** SECTION 488. 77.59 (9r) of the statutes is  
2 created to read:

3           77.59 (9r) With regard to a purchaser's request for a refund under this section,  
4 a seller is presumed to have reasonable business practices if the seller uses a certified  
5 service provider, a certified automated system, as defined in s. 77.524 (1) (am), or a  
6 proprietary system certified by the department to collect the taxes imposed under  
7 this subchapter and if the seller has remitted to the department all taxes collected  
8 under this subchapter, less any deductions, credits, or allowances.

9           \***-0377/P10.290\*** \***-4294/P1.271\*** SECTION 489. 77.60 (13) of the statutes is  
10 created to read:

11           77.60 (13) A person who uses any of the following documents in a manner that  
12 is prohibited by or inconsistent with this subchapter, or provides incorrect  
13 information to a seller or certified service provider related to the use of such  
14 documents or regarding an exemption to the taxes imposed under this subchapter,  
15 shall pay a penalty of \$250 for each invoice or bill of sale related to the prohibited or  
16 inconsistent use or incorrect information:

17           (a) An exemption certificate described under ss. 77.52 (13) and 77.53 (10).

18           (b) A direct pay permit under s. 77.52 (17m).

19           (c) An exemption certificate claiming direct mail.

20           \***-0377/P10.291\*** \***-4294/P1.272\*** SECTION 490. 77.61 (1) (b) of the statutes is  
21 amended to read:

22           77.61 (1) (b) In the case of ~~a motor vehicle~~ motor vehicles, boats, snowmobiles,  
23 recreational vehicles, as defined in s. 340.01 (48r), trailers, semitrailers, all-terrain  
24 vehicles, or aircraft purchased from a licensed ~~Wisconsin motor vehicle dealer~~

1 retailer, the registrant shall present proof that the tax has been paid to such dealer  
2 retailer.

3 \***-0377/P10.292\*** \***-4294/P1.273\*** SECTION 491. 77.61 (1) (c) of the statutes is  
4 amended to read:

5 77.61 (1) (c) In the case of motor vehicles, boats, snowmobiles, recreational  
6 vehicles, as defined in s. 340.01 (48r), trailers, semitrailers, all-terrain vehicles, or  
7 aircraft registered or titled, or required to be registered or titled, in this state  
8 purchased from persons who are not ~~Wisconsin boat, trailer, or semitrailer dealers,~~  
9 ~~licensed Wisconsin aircraft, motor vehicle, or recreational vehicle, as defined in s.~~  
10 ~~340.01 (48r), dealers or registered Wisconsin snowmobile or all-terrain vehicle~~  
11 ~~dealers~~ retailers, the purchaser shall file a sales tax return and pay the tax prior to  
12 registering or titling the motor vehicle, boat, snowmobile, recreational vehicle, as  
13 defined in s. 340.01 (48r), semitrailer, all-terrain vehicle, or aircraft in this state.

14 \***-0377/P10.293\*** \***-4294/P1.274\*** SECTION 492. 77.61 (2) of the statutes is  
15 renumbered 77.61 (2) (intro.) and amended to read:

16 77.61 (2) (intro.) In order to protect the revenue of the state:

17 (a) Except as provided in par. (b), the department may require any person who  
18 is or will be liable to it for the tax imposed by this subchapter to place with it, before  
19 or after a permit is issued, the security, not in excess of \$15,000, that the department  
20 determines. In determining the amount of security to require under this subsection,  
21 the department may consider the person's payment of other taxes administered by  
22 the department and any other relevant facts. If any taxpayer fails or refuses to place  
23 that security, the department may refuse or revoke the permit. If any taxpayer is  
24 delinquent in the payment of the taxes imposed by this subchapter, the department  
25 may, upon 10 days' notice, recover the taxes, interest, costs and penalties from the



1 security placed with the department by the taxpayer in the following order: costs,  
2 penalties, delinquent interest, delinquent tax. No interest may be paid or allowed  
3 by the state to any person for the deposit of security. Any security deposited under  
4 this subsection shall be returned to the taxpayer if the taxpayer has, for 24  
5 consecutive months, complied with all the requirements of this subchapter.

6 **\*-0377/P10.294\* \*-4294/P1.275\* SECTION 493.** 77.61 (2) (b) of the statutes is  
7 created to read:

8 77.61 (2) (b) A certified service provider who has contracted with a seller, and  
9 filed an application, to collect and remit sales and use taxes imposed under this  
10 subchapter on behalf of the seller shall submit a surety bond to the department to  
11 guarantee the payment of sales and use taxes, including any penalty and interest on  
12 such payment. The department shall approve the form and contents of a bond  
13 submitted under this paragraph and shall determine the amount of such bond. The  
14 surety bond shall be submitted to the department within 60 days after the date on  
15 which the department notifies the certified service provider that the certified service  
16 provider is registered to collect sales and use taxes imposed under this subchapter.  
17 If the department determines, with regards to any one certified service provider, that  
18 no bond is necessary to protect the tax revenues of this state, the secretary of revenue  
19 or the secretary's designee may waive the requirements under this paragraph with  
20 regard to that certified service provider. Any bond submitted under this paragraph  
21 shall remain in force until the secretary of revenue or the secretary's designee  
22 releases the liability under the bond.

23 **\*-0377/P10.295\* \*-4294/P1.276\* SECTION 494.** 77.61 (3) of the statutes is  
24 repealed.

1           **\*-0377/P10.296\* \*-4294/P1.277\* SECTION 495.** 77.61 (3m) of the statutes is  
2 created to read:

3           **77.61 (3m)** A retailer shall use a straight mathematical computation to  
4 determine the amount of the tax that the retailer may collect from the retailer's  
5 customers. The retailer shall calculate the tax amount by combining the applicable  
6 tax rates under this subchapter and subch. V and multiplying the combined tax rate  
7 by the sales price or purchase price of each item or invoice, as appropriate. The  
8 retailer shall calculate the tax amount to the 3rd decimal place, disregard tax  
9 amounts of less than 0.5 cent, and consider tax amounts of at least 0.5 cent but less  
10 than 1 cent to be an additional cent. The use of a straight mathematical computation,  
11 as provided in this subsection, shall not relieve the retailer from liability for payment  
12 of the full amount of the tax levied under this subchapter.

13           **\*-0377/P10.297\* \*-4294/P1.278\* SECTION 496.** 77.61 (4) (a) of the statutes is  
14 amended to read:

15           **77.61 (4) (a)** Every seller and retailer and every person storing, using or  
16 otherwise consuming in this state tangible personal property, or items, property, or  
17 goods under s. 77.52 (1) (b), (c), or (d), or taxable services purchased from a retailer  
18 shall keep such records, receipts, invoices, and other pertinent papers and records,  
19 including machine-readable records, in such form as the department requires. The  
20 department may, after giving notice, require any person to keep whatever records are  
21 needed for the department to compute the sales or use taxes the person should pay.  
22 Thereafter, the department shall add to any taxes assessed on the basis of  
23 information not contained in the records required a penalty of 25% of the amount of  
24 the tax so assessed in addition to all other penalties under this chapter.

1           **\*-0377/P10.298\* \*-4294/P1.279\* SECTION 497.** 77.61 (4) (c) of the statutes is  
2 amended to read:

3           77.61 (4) (c) For reporting the sales tax and collecting and reporting the use tax  
4 imposed on the retailer under s. 77.53 (3) and the accounting connected with it,  
5 retailers, not including certified service providers that receive compensation under  
6 s. 73.03 (61) (h), may deduct 0.5% of those taxes payable or \$10 for that reporting  
7 period required under s. 77.58 (1), whichever is greater, but not more than the  
8 amount of the sales taxes or use taxes that is payable under ss. 77.52 (1) and 77.53  
9 (3) for that reporting period required under s. 77.58 (1), as administration expenses  
10 if the payment of the taxes is not delinquent. For purposes of calculating the  
11 retailer's discount under this paragraph, the taxes on retail sales reported by  
12 retailers under subch. V, including taxes collected and remitted as required under  
13 s. 77.785, shall be included if the payment of those taxes is not delinquent.

14           **\*-0377/P10.299\* \*-4294/P1.280\* SECTION 498.** 77.61 (5m) of the statutes is  
15 created to read:

16           77.61 (5m) (a) In this subsection, "personally identifiable information" means  
17 any information that identifies a person.

18           (b) A certified service provider may use personally identifiable information as  
19 necessary only for the administration of its system to perform a seller's sales and use  
20 tax functions and shall provide consumers clear and conspicuous notice of its practice  
21 regarding such information, including what information it collects, how it collects  
22 the information, how it uses the information, how long, if at all, it retains the  
23 information, and under what circumstances it discloses the information to states  
24 participating in the agreement, as defined in 77.65 (2) (a).

1 (c) A certified service provider may collect, use, and retain personally  
2 identifiable information only to verify exemption claims, to document the correct  
3 assignment of taxing jurisdictions, to investigate fraud, and to ensure its system's  
4 reliability.

5 (d) A certified service provider shall provide sufficient technical, physical, and  
6 administrative safeguards to protect personally identifiable information from  
7 unauthorized access and disclosure.

8 (e) For purposes of this subchapter, the state shall provide to consumers public  
9 notice of the state's practices related to collecting, using, and retaining personally  
10 identifiable information.

11 (f) The state shall not retain personally identifiable information obtained for  
12 purposes of administering this subchapter unless the state is otherwise required to  
13 retain the information by law or as provided under the agreement, as defined in s.  
14 77.65 (2) (a).

15 (g) For purposes of this subchapter, the state shall provide an individual  
16 reasonable access to that individual's personally identifiable information and the  
17 right to correct any inaccurately recorded information.

18 (h) If any person, other than another state that is a signatory to the agreement,  
19 as defined in s. 77.65 (2) (a), or a person authorized under state law to access the  
20 information, requests access to an individual's personally identifiable information,  
21 the state shall make a reasonable and timely effort to notify the individual of the  
22 request.

23 **\*-0377/P10.300\* \*-4294/P1.281\* SECTION 499.** 77.61 (11) of the statutes is  
24 amended to read:

1           77.61 (11) Any city, village or town clerk or other official whose duty it is to issue  
2 licenses or permits to engage in a business involving the sale at retail of tangible  
3 personal property or items, property, or goods under s. 77.52 (1) (b), (c), or (d) subject  
4 to tax under this subchapter, or the furnishing of services so subject to tax, shall,  
5 before issuing such license or permit, require proof that the person to whom such  
6 license or permit is to be issued is the holder of a seller's permit as required by or is  
7 registered to collect, report, and remit use tax under this subchapter or has been  
8 informed by an employee of the department that the department will issue a seller's  
9 permit to that person or register that person to collect, report, and remit use tax.

10           \***-0377/P10.301\*** \***-4294/P1.282\*** SECTION 500. 77.61 (16) of the statutes is  
11 created to read:

12           77.61 (16) Any person who remits taxes and files returns under this subchapter  
13 may designate an agent, as defined in s. 77.524 (1) (ag), to remit such taxes and file  
14 such returns with the department in a manner prescribed by the department.

15           \***-0377/P10.302\*** \***-4294/P1.283\*** SECTION 501. 77.61 (17) of the statutes is  
16 created to read:

17           77.61 (17) With regard to services subject to the tax under s. 77.52 (2) or the  
18 lease, rental, or license of tangible personal property and property, items, and goods  
19 specified under s. 77.52 (1) (b), (c), and (d), an increase in the tax rate applies to the  
20 first billing period beginning on or after the rate increase's effective date and a  
21 decrease in the tax rate applies to bills that are rendered on or after the rate  
22 decrease's effective date.

23           \***-0377/P10.303\*** SECTION 502. 77.61 (18) of the statutes is created to read:

24           77.61 (18) The department shall notify sellers with respect to any change in  
25 the rate of the taxes imposed under this subchapter at least 30 days prior to the

1 change's effective date and any such change shall take effect on January 1, April 1,  
2 July 1, or October 1.

3 \*~~0377/P10.304~~\* \*~~4294/P1.284~~\* **SECTION 503.** 77.63 of the statutes is  
4 repealed and recreated to read:

5 **77.63 Collection compensation.** The following persons may retain a portion  
6 of sales and use taxes collected on retail sales under this subchapter and subch. V  
7 in an amount determined by the department and by contracts that the department  
8 enters into jointly with other states as a member state of the streamlined sales tax  
9 governing board pursuant to the agreement, as defined in s. 77.65 (2) (a):

10 (1) A certified service provider.

11 (2) A seller that uses a certified automated system, as defined in s. 77.524 (1)  
12 (am).

13 (3) A seller that sells tangible personal property, or items, property, or goods  
14 under s. 77.52 (1) (b), (c), or (d), or taxable services in at least 5 states that are  
15 signatories to the agreement, as defined in s. 77.65 (2) (a); that has total annual sales  
16 revenue of at least \$500,000,000; that has a proprietary system that calculates the  
17 amount of tax owed to each taxing jurisdiction in which the seller sells tangible  
18 personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or (d), or  
19 taxable services; and that has entered into a performance agreement with the states  
20 that are signatories to the agreement, as defined in s. 77.65 (2) (a). For purposes of  
21 this subsection, "seller" includes an affiliated group of sellers using the same  
22 proprietary system to calculate the amount of tax owed in each taxing jurisdiction  
23 in which the sellers sell tangible personal property, or items, property, or goods under  
24 s. 77.52 (1) (b), (c), or (d), or taxable services.

1           **\*-0377/P10.305\* \*-4294/P1.285\* SECTION 504.** 77.65 (2) (a) of the statutes is  
2 amended to read:

3           77.65 (2) (a) "Agreement" means the streamlined sales and use tax agreement,  
4 including amendments to the agreement.

5           **\*-0377/P10.306\* \*-4294/P1.286\* SECTION 505.** 77.65 (2) (c) of the statutes is  
6 repealed.

7           **\*-0377/P10.307\* \*-4294/P1.287\* SECTION 506.** 77.65 (2) (e) of the statutes is  
8 amended to read:

9           77.65 (2) (e) "Seller" means any person who sells, licenses, leases, or rents  
10 tangible personal property, or items, property, or goods under s. 77.52 (1) (b), (c), or  
11 (d), or services.

12           **\*-0377/P10.308\* \*-4294/P1.288\* SECTION 507.** 77.65 (2) (f) of the statutes is  
13 amended to read:

14           77.65 (2) (f) "State" means any state of the United States and, the District of  
15 Columbia, and the Commonwealth of Puerto Rico.

16           **\*-0377/P10.309\* \*-4294/P1.289\* SECTION 508.** 77.65 (4) (fm) of the statutes  
17 is created to read:

18           77.65 (4) (fm) Provide that a seller who registers with the central electronic  
19 registration system under par. (f) may cancel the registration at any time, as  
20 provided under uniform procedures adopted by the governing board of the states that  
21 are signatories to the agreement, but is required to remit any Wisconsin taxes  
22 collected pursuant to the agreement to the department.

23           **\*-0377/P10.310\* \*-4294/P1.290\* SECTION 509.** 77.66 of the statutes is  
24 amended to read:

1           **77.66 Certification for collection of sales and use tax.** The secretary of  
2 revenue shall determine and periodically certify to the secretary of administration  
3 the names of persons, and affiliates, as defined in s. 16.70 (1b), of persons, who make  
4 sales of tangible personal property, ~~or items, property, or goods under s. 77.52 (1) (b),~~  
5 ~~(c), or (d),~~ and taxable services that are subject to the taxes imposed under this  
6 subchapter but who are not registered to collect and remit such taxes to the  
7 department or, if registered, do not collect and remit such taxes.

8           \*~~-0377/P10.311~~\* \*~~-4294/P1.291~~\* **SECTION 510.** 77.67 of the statutes is created  
9 to read:

10           **77.67 Amnesty for new registrants. (1)** A seller is not liable for uncollected  
11 and unpaid taxes, including penalties and interest, imposed under this subchapter  
12 and subch. V on sales made to purchasers in this state before the seller registers  
13 under par. (a), if all of the following apply:

14           (a) The seller registers with the department, in a manner that the department  
15 prescribes, to collect and remit the taxes imposed under this subchapter and subch.  
16 V on sales to purchasers in this state in accordance with the agreement, as defined  
17 in s. 77.65 (2) (a).

18           (b) The seller registers under par. (a) no later than 365 days after the effective  
19 date of this state's participation in the agreement under s. 77.65 (2) (a), as  
20 determined by the department.

21           (c) The seller was not registered to collect and remit the taxes imposed under  
22 this subchapter and subch. V during the 365 consecutive days immediately before  
23 the effective date of this state's participation in the agreement under s. 77.65 (2) (a),  
24 as determined by the department.



1 (d) The seller has not received a notice of the commencement of an audit from  
2 the department or, if the seller has received a notice of the commencement of an audit  
3 from the department, the audit has been fully resolved, including any related  
4 administrative and judicial processes, at the time that the seller registers under par.  
5 (a).

6 (e) The seller has not committed or been involved in a fraud or an intentional  
7 misrepresentation of a material fact.

8 (f) The seller collects and remits the taxes imposed under this subchapter and  
9 subch. V on sales to purchasers in this state for at least 3 consecutive years after the  
10 date on which the seller's collection obligation begins.

11 (2) Subsection (1) does not apply to taxes imposed under this subchapter and  
12 subch. V that are due from the seller for purchases made by the seller.

13 **\*-0377/P10.312\* \*-4294/P1.292\* SECTION 511.** 77.70 of the statutes is  
14 amended to read:

15 **77.70 Adoption by county ordinance.** Any county desiring to impose county  
16 sales and use taxes under this subchapter may do so by the adoption of an ordinance,  
17 stating its purpose and referring to this subchapter. The county sales and use taxes  
18 may be imposed only for the purpose of directly reducing the property tax levy and  
19 only in their entirety as provided in this subchapter. That ordinance shall be  
20 effective on the first day of January, the first day of April, the first day of July or the  
21 first day of October. A certified copy of that ordinance shall be delivered to the  
22 secretary of revenue at least 120 days prior to its effective date. The repeal of any  
23 such ordinance shall be effective on December 31. A certified copy of a repeal  
24 ordinance shall be delivered to the secretary of revenue at least ~~60~~ 120 days before  
25 the effective date of the repeal.

1           \***-0377/P10.313\*** \***-4294/P1.293\*** SECTION 512. 77.705 of the statutes is  
2 amended to read:

3           **77.705 Adoption by resolution; baseball park district.** A local  
4 professional baseball park district created under subch. III of ch. 229, by resolution  
5 under s. 229.68 (15), may impose a sales tax and a use tax under this subchapter at  
6 a rate of no more than 0.1% of the ~~gross receipts or~~ sales price or purchase price.  
7 Those taxes may be imposed only in their entirety. The resolution shall be effective  
8 on the first day of the first month January 1, April 1, July 1, or October 1 that begins  
9 at least ~~30~~ 120 days after the adoption of the resolution. Any moneys transferred  
10 from the appropriation account under s. 20.566 (1) (gd) to the appropriation account  
11 under s. 20.835 (4) (gb) shall be used exclusively to retire the district's debt.

12           \***-0377/P10.314\*** \***-4294/P1.294\*** SECTION 513. 77.706 of the statutes is  
13 amended to read:

14           **77.706 Adoption by resolution; football stadium district.** A local  
15 professional football stadium district created under subch. IV of ch. 229, by  
16 resolution under s. 229.824 (15), may impose a sales tax and a use tax under this  
17 subchapter at a rate of 0.5% of the ~~gross receipts or~~ sales price or purchase price.  
18 Those taxes may be imposed only in their entirety. The imposition of the taxes under  
19 this section shall be effective on the first day of the first month January 1, April 1,  
20 July 1, or October 1 that begins at least ~~30~~ 120 days after the certification of the  
21 approval of the resolution by the electors in the district's jurisdiction under s. 229.824  
22 (15). Any moneys transferred from the appropriation account under s. 20.566 (1) (ge)  
23 to the appropriation account under s. 20.835 (4) (ge) shall be used exclusively to retire  
24 the district's debt.

1           **\*-0377/P10.315\* \*-4294/P1.295\* SECTION 514.** 77.707 (1) of the statutes is  
2 amended to read:

3           77.707 (1) Retailers and the department of revenue may not collect a tax under  
4 s. 77.705 for any local professional baseball park district created under subch. III of  
5 ch. 229 after the last day of the calendar quarter during that is at least 120 days from  
6 the date on which the local professional baseball park district board makes a  
7 certification to the department of revenue under s. 229.685 (2), except that the  
8 department of revenue may collect from retailers taxes that accrued before the day  
9 after the last day of that calendar quarter and fees, interest and penalties that relate  
10 to those taxes.

11           **\*-0377/P10.316\* \*-4294/P1.296\* SECTION 515.** 77.707 (2) of the statutes is  
12 amended to read:

13           77.707 (2) Retailers and the department of revenue may not collect a tax under  
14 s. 77.706 for any local professional football stadium district created under subch. IV  
15 of ch. 229 after the last day of the calendar quarter during that is at least 120 days  
16 from the date on which the local professional football stadium district board makes  
17 all of the certifications to the department of revenue under s. 229.825 (3), except that  
18 the department of revenue may collect from retailers taxes that accrued before the  
19 day after the last day of that calendar quarter and fees, interest and penalties that  
20 relate to those taxes.

21           **\*-0377/P10.317\* \*-4294/P1.297\* SECTION 516.** 77.71 (1) of the statutes is  
22 amended to read:

23           77.71 (1) For the privilege of selling, licensing, leasing or renting tangible  
24 personal property and the items, property, and goods specified under s. 77.52 (1) (b),  
25 (c), and (d), and for the privilege of selling, licensing, performing or furnishing

## SECTION 516

1 services a sales tax is imposed upon retailers at the rate of 0.5% in the case of a county  
2 tax or at the rate under s. 77.705 or 77.706 in the case of a special district tax of the  
3 ~~gross receipts~~ sales price from the sale, ~~license~~, lease or rental of tangible personal  
4 property ~~and the items, property, and goods specified under s. 77.52 (1) (b), (c), and~~  
5 ~~(d)~~, except property taxed under sub. (4), sold, ~~licensed~~, leased or rented at retail in  
6 the county or special district or from selling, ~~licensing~~, performing or furnishing  
7 services described under s. 77.52 (2) in the county or special district.

8 **\*-0377/P10.318\* \*-4294/P1.298\* SECTION 517.** 77.71 (2) of the statutes is  
9 amended to read:

10 77.71 (2) An excise tax is imposed at the rate of 0.5% in the case of a county tax  
11 or at the rate under s. 77.705 or 77.706 in the case of a special district tax of the sales  
12 purchase price upon every person storing, using or otherwise consuming in the  
13 county or special district tangible personal property, ~~or items, property, or goods~~  
14 ~~specified under s. 77.52 (1) (b), (c), or (d)~~, or services if the tangible personal property,  
15 ~~item, property, good~~, or service is subject to the state use tax under s. 77.53, except  
16 that a receipt indicating that the tax under sub. (1), (3) or (4) has been paid relieves  
17 the buyer of liability for the tax under this subsection and except that if the buyer  
18 has paid a similar local tax in another state on a purchase of the same tangible  
19 personal property, ~~item, property, good~~, or services that tax shall be credited against  
20 the tax under this subsection and except that for motor vehicles that are used for a  
21 purpose in addition to retention, demonstration or display while held for sale in the  
22 regular course of business by a dealer the tax under this subsection is imposed not  
23 on the ~~sales~~ purchase price but on the amount under s. 77.53 (1m).

24 **\*-0377/P10.319\* \*-4294/P1.299\* SECTION 518.** 77.71 (3) of the statutes is  
25 amended to read:

1           77.71 (3) An excise tax is imposed upon a contractor engaged in construction  
2 activities within the county or special district, at the rate of 0.5% in the case of a  
3 county tax or at the rate under s. 77.705 or 77.706 in the case of a special district tax  
4 of the sales purchase price of tangible personal property or items, property, or goods  
5 under s. 77.52 (1) (b), (c), or (d) that is are used in constructing, altering, repairing  
6 or improving real property and that ~~becomes~~ became a component part of real  
7 property in that county or special district, except that if the contractor has paid the  
8 sales tax of a county in the case of a county tax or of a special district in the case of  
9 a special district tax in this state on that tangible personal property, item, property,  
10 or good, or has paid a similar local sales tax in another state on a purchase of the same  
11 tangible personal property, item, property, or good, that tax shall be credited against  
12 the tax under this subsection.

13           \***-0377/P10.320\*** \***-4294/P1.300\*** SECTION 519. 77.71 (4) of the statutes is  
14 amended to read:

15           77.71 (4) An excise tax is imposed at the rate of 0.5 percent in the case of a  
16 county tax or at the rate under s. 77.705 or 77.706 in the case of a special district tax  
17 of the sales purchase price upon every person storing, using or otherwise consuming  
18 a motor vehicle, boat, ~~snowmobile~~, recreational vehicle, as defined in s. 340.01 (48r),  
19 ~~trailer, semitrailer, all-terrain vehicle~~ or aircraft, if that property must be registered  
20 or titled with this state and if that property is to be customarily kept in a county that  
21 has in effect an ordinance under s. 77.70 or in a special district that has in effect a  
22 resolution under s. 77.705 or 77.706, except that if the buyer has paid a similar local  
23 sales tax in another state on a purchase of the same property that tax shall be  
24 credited against the tax under this subsection.

1           \*~~-0377/P10.321~~\* \*~~-4294/P1.301~~\* SECTION 520. 77.72 (title) of the statutes is  
2 repealed.

3           \*~~-0377/P10.322~~\* \*~~-4294/P1.302~~\* SECTION 521. 77.72 (1) of the statutes is  
4 renumbered 77.72 and amended to read:

5           **77.72 General rule for ~~property~~.** For the purposes of this subchapter, all  
6 retail sales of tangible personal property ~~are completed at the time when, and the~~  
7 ~~place where, the seller or the seller's agent transfers possession to the buyer or the~~  
8 ~~buyer's agent. In this subsection, a common carrier or the U.S. postal service is the~~  
9 ~~agent of the seller, regardless of any f.o.b. point and regardless of the method by~~  
10 ~~which freight or postage is paid. Rentals and leases of property, except property~~  
11 ~~under sub. (2), have a situs at the location of that property, and items, property, and~~  
12 goods specified under s. 77.52 (1) (b), (c), and (d), and taxable services are sourced as  
13 provided in s. 77.522.

14           \*~~-0377/P10.323~~\* \*~~-4294/P1.303~~\* SECTION 522. 77.72 (2) and (3) of the  
15 statutes are repealed.

16           \*~~-0377/P10.324~~\* \*~~-4294/P1.304~~\* SECTION 523. 77.73 (2) of the statutes is  
17 amended to read:

18           **77.73 (2)** Counties and special districts do not have jurisdiction to impose the  
19 tax under s. 77.71 (2) in regard to items, property, and goods under s. 77.52 (1) (b),  
20 (c), and (d), and tangible personal property, except snowmobiles, trailers,  
21 semitrailers, and all-terrain vehicles, purchased in a sale that is consummated in  
22 another county or special district in this state that does not have in effect an  
23 ordinance or resolution imposing the taxes under this subchapter and later brought  
24 by the buyer into the county or special district that has imposed a tax under s. 77.71  
25 (2).

1           **\*-0377/P10.325\* \*-4294/P1.305\* SECTION 524.** 77.73 (3) of the statutes is  
2 created to read:

3           **77.73 (3)** Counties and special districts have jurisdiction to impose the taxes  
4 under this subchapter on retailers who file an application under s. 77.52 (7) or who  
5 register under s. 77.53 (9) or (9m), regardless of whether such retailers are engaged  
6 in business in the county or special district, as provided in s. 77.51 (13g). A retailer  
7 who files an application under s. 77.52 (7) or who registers under s. 77.53 (9) or (9m)  
8 shall collect, report, and remit to the department the taxes imposed under this  
9 subchapter for all counties and special districts that have an ordinance or resolution  
10 imposing the taxes under this subchapter.

11           **\*-0377/P10.326\* \*-4294/P1.306\* SECTION 525.** 77.75 of the statutes is  
12 amended to read:

13           **77.75 Reports.** Every person subject to county or special district sales and use  
14 taxes shall, for each reporting period, record that person's sales made in the county  
15 or special district that has imposed those taxes separately from sales made  
16 elsewhere in this state and file a report of the measure of the county or special district  
17 ~~sales and use taxes and the tax due thereon separately~~ as prescribed by the  
18 department of revenue.

19           **\*-0377/P10.327\* \*-4294/P1.307\* SECTION 526.** 77.77 (1) of the statutes is  
20 renumbered 77.77 (1) (a) and amended to read:

21           **77.77 (1) (a)** The ~~gross receipts sales price~~ sales price from services subject to the tax under  
22 s. 77.52 (2) ~~are not~~ or the lease, rental, or license of tangible personal property and  
23 property, items, and goods specified under s. 77.52 (1) (b), (c), and (d), is subject to  
24 the taxes under this subchapter, and the incremental amount of tax caused by a rate  
25 increase applicable to those services, leases, rentals, or licenses ~~is not due, if those~~

1 ~~services are billed to the customer and paid for before~~ beginning with the first billing  
2 period starting on or after the effective date of the county ordinance, special district  
3 resolution, or rate increase, regardless of whether the service is furnished or the  
4 property, item, or good is leased, rented, or licensed to the customer before or after  
5 that date.

6 \***-0377/P10.328\*** \***-4294/P1.308\*** SECTION 527. 77.77 (1) (b) of the statutes is  
7 created to read:

8 77.77 (1) (b) The sales price from services subject to the tax under s. 77.52 (2)  
9 or the lease, rental, or license of tangible personal property and property, items, and  
10 goods specified under s. 77.52 (1) (b), (c), and (d), is not subject to the taxes under this  
11 subchapter, and a decrease in the tax rate imposed under this subchapter on those  
12 services first applies, beginning with bills rendered on or after the effective date of  
13 the repeal or sunset of a county ordinance or special district resolution imposing the  
14 tax or other rate decrease, regardless of whether the service is furnished or the  
15 property, item, or good is leased, rented, or licensed to the customer before or after  
16 that date.

17 \***-0377/P10.329\*** \***-4294/P1.309\*** SECTION 528. 77.77 (2) of the statutes is  
18 repealed.

19 \***-0377/P10.330\*** \***-4294/P1.310\*** SECTION 529. 77.785 (1) of the statutes is  
20 amended to read:

21 77.785 (1) All retailers shall collect and report the taxes under this subchapter  
22 on the ~~gross receipts~~ sales price from leases and rentals of property or items,  
23 property, and goods under s. 77.52 (1) (b), (c), and (d) under s. 77.71 (4).

24 \***-0377/P10.331\*** \***-4294/P1.311\*** SECTION 530. 77.785 (2) of the statutes is  
25 amended to read:



1           77.785 (2) Prior to registration or titling, a retailer of a boat, ~~all-terrain vehicle,~~  
2 ~~trailer and semi-trailer dealers and licensed aircraft~~, motor vehicle, manufactured  
3 home, as defined in s. 101.91 (2), or recreational vehicle, as defined in s. 340.01 (48r),  
4 ~~and snowmobile dealers~~ shall collect the taxes under this subchapter on sales of  
5 items under s. 77.71 (4). The ~~dealer~~ retailer shall remit those taxes to the  
6 department of revenue along with payments of the taxes under subch. III.

7           **\*-1948/P1.14\* SECTION 531.** 77.92 (4) of the statutes is amended to read:

8           77.92 (4) "Net business income," with respect to a partnership, means taxable  
9 income as calculated under section 703 of the Internal Revenue Code; plus the items  
10 of income and gain under section 702 of the Internal Revenue Code, including taxable  
11 state and municipal bond interest and excluding nontaxable interest income or  
12 dividend income from federal government obligations; minus the items of loss and  
13 deduction under section 702 of the Internal Revenue Code, except items that are not  
14 deductible under s. 71.21; plus guaranteed payments to partners under section 707  
15 (c) of the Internal Revenue Code; plus the credits claimed under s. 71.07 (2dd), (2de),  
16 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), ~~(3s)~~, (3n), (3p), (3r), (3s),  
17 (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), and (5k); and plus or minus, as appropriate,  
18 transitional adjustments, depreciation differences, and basis differences under s.  
19 71.05 (13), (15), (16), (17), and (19); but excluding income, gain, loss, and deductions  
20 from farming. "Net business income," with respect to a natural person, estate, or  
21 trust, means profit from a trade or business for federal income tax purposes and  
22 includes net income derived as an employee as defined in section 3121 (d) (3) of the  
23 Internal Revenue Code.

24           **\*-0377/P10.332\* \*-4294/P1.312\* SECTION 532.** 77.98 of the statutes is  
25 amended to read:

1           **77.98 Imposition.** A local exposition district under subch. II of ch. 229 may  
2 impose a tax on the retail sale, except sales for resale, within the district's  
3 jurisdiction under s. 229.43 of products that are subject to a tax under s. 77.54 (20)  
4 ~~(e) 1. to 3. and not~~ candy, as defined in s. 77.51 (1fm), prepared food, as defined in s.  
5 77.51 (10m), and soft drinks, as defined in s. 77.51 (17w), unless exempt from the  
6 sales tax under s. 77.54 (1), (4), (7) (a), (7m), (9), (9a) or (20) (e) 5., (20n) (b) and (c),  
7 and (20r).

8           \*~~-0377/P10.333~~\* \*~~-4294/P1.313~~\* **SECTION 533.** 77.981 of the statutes is  
9 amended to read:

10           **77.981 Rate.** The tax under s. 77.98 is imposed on the sale of taxable products  
11 at the rate of 0.25% of the ~~gross receipts~~ sales price, except that the district, by a vote  
12 of a majority of the authorized members of its board of directors, may impose the tax  
13 at the rate of 0.5% of the ~~gross receipts~~ sales price. A majority of the authorized  
14 members of the district's board may vote that, if the balance in a special debt service  
15 reserve fund of the district is less than the requirement under s. 229.50 (5), the tax  
16 rate under this subchapter is 0.5%. The 0.5% rate shall be effective on the next  
17 January 1, April 1, July 1 or October 1, and this tax is irrevocable if any bonds issued  
18 by the district and secured by the special debt service reserve fund are outstanding.

19           \*~~-0377/P10.334~~\* \*~~-4294/P1.314~~\* **SECTION 534.** 77.982 (2) of the statutes is  
20 repealed and recreated to read:

21           77.982 (2) Sections 77.51 (12m), (14), (14g), (15a), and (15b), 77.52 (1b), (3), (4),  
22 (13), (14), (18), and (19), 77.58 (1) to (5), (6m), and (7), 77.585, 77.59, 77.60, 77.61 (2),  
23 (3m), (5), (8), (9), and (12) to (15), and 77.62, as they apply to the taxes under subch.  
24 III, apply to the tax under this subchapter. Section 77.73, as it applies to the taxes  
25 under subch. V, applies to the tax under this subchapter.