

*STATE OF WISCONSIN*

*REPORT OF THE JOINT SURVEY COMMITTEE ON TAX EXEMPTIONS*

*2009 ASSEMBLY BILL 690*

[Introduced by Representatives Dexter, Sinicki, Pope-Roberts, Berceau, Clark, Ziegelbauer, A. Ott, Ripp and Suder; cosponsored by Senators Kreitlow, Taylor, Lehman, Lassa, Grothman, Olsen and Wirch.]

**General Nature of Proposal**

Current law exempts food sold by hospitals, sanatoriums, nursing homes, retirement homes, community-based residential facilities, and day care centers from the sales and use tax.

2009 Assembly Bill 690 deletes the reference to day care centers registered under ch. 48, Stats., and replaces it with a general reference to any child welfare facility licensed under ch. 48, Stats. Examples of these facilities include child care centers, residential care centers, shelter care facilities, and group homes.

**Legality Involved**

There are no questions of legality involving the bill described in this report.

**Fiscal Effect Upon the State and Its Subdivisions**

On average, the Department of Children and Families reports that approximately 700 children are in facilities that would be newly exempted under the bill. The Department of Revenue estimates this would result in a minimal reduction in state and local sales tax collections.

**Public Policy Involved**

The bill is good public policy.

02/16/10

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