



# State of Wisconsin

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STEPHEN R. MILLER  
CHIEF

January 12, 2012

## MEMORANDUM

**To:** Senator Grothman

**From:** Joseph T. Kreye, Sr. Legislative Attorney, (608) 266-2263

**Subject:** Technical Memorandum to **2011 SB 363** (LRB-3648/1) by **DOR**

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We received the attached technical memorandum relating to your bill. This copy is for your information and your file.

If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

**MEMORANDUM**

January 12, 2012

**TO:** Joe Kreye  
Legislative Reference Bureau

**FROM:** Paul Ziegler  
Department of Revenue

**SUBJECT:** Technical Memorandum on SB 363 – relating to a sales and use tax exemption for items and services sold as part of a lump sum contract

The Department has the following concern with SB 363:

The proposed language does not provide a definition for "product". To define the term "product", the department suggests amending the existing definition of "product" under s. 77.51(11d) to cross-reference the bill's proposed exemption as follows:

"For purposes of subs. (1ag), (1f), (3pf), and (9p) and ss. 77.52 (20) and (21), 77.522, and 77.54 (51), ~~and (52)~~, and (60), "product" includes tangible personal property, and items, property, and goods under s. 77.52 (1) (b), (c), and (d), and services."

If you have questions regarding this technical memorandum, please contact Bob Schmidt at (608) 267-9892 or [robertk1.schmidt@revenue.wi.gov](mailto:robertk1.schmidt@revenue.wi.gov).

cc: Senator Grothman