

2013 DRAFTING REQUEST

Bill

Received: 1/28/2013 Received By: jkreye
Wanted: As time permits Same as LRB: -1317
For: Richard Gudex (608) 266-5300 By/Representing:
May Contact: Drafter: jkreye
Subject: Tax, Other - sales Addl. Drafters:
Extra Copies:

Submit via email: YES
Requester's email: Sen.Gudex@legis.wisconsin.gov
Carbon copy (CC) to: joseph.kreye@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

August and November sales tax holidays; DOR approval

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	jkreye 1/29/2013	scalvin 1/28/2013	jfrantze 1/28/2013	_____	sbasford 1/28/2013		State S&L Tax
/2	jkreye 2/14/2013	scalvin 2/13/2013	rschlue 2/14/2013	_____	mbarman 2/14/2013		State S&L Tax
/3		scalvin	jfrantze	_____	srose	mbarman	State

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
		2/14/2013	2/14/2013	_____	2/14/2013	2/27/2013	S&L Tax

FE Sent For:

→ At
Intro.

<END>

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		2/14/2013	2/14/2013	_____	2/14/2013		S&L Tax

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/1	jkreye 1/29/2013	scalvin 1/28/2013	jfrantze 1/28/2013	_____	sbasford 1/28/2013		State S&L Tax
/2	jkreye 2/12/2013	scalvin 2/13/2013	rschlue 2/14/2013	_____	mbarman 2/14/2013		State S&L Tax

FE Sent For: 13 sac 02/14/2013
 Jo 2/14
 RS Jo 2/14

<END>

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FE Sent For: 1/28/2013 12:00:00 AM

<END>

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/1	jkreye	1 sac 01/28/2013		1/28			State S&L Tax

FE Sent For:
 1/28/2013 12:00:00 AM

<END>

Kreye, Joseph

From: Seeman, Kirsten
Sent: Monday, January 28, 2013 9:35 AM
To: Kreye, Joseph
Subject: RE: Fiscal estimate - sales tax holiday

Thanks, Joe.

I apologize for not telling you sooner, but we will need a senate companion bill for the sales tax holiday legislation. It will be going to Senator Rick Gudex.

Thanks,

Kirsten Seeman
Research Assistant
Office of State Representative Chad Weininger 4th Assembly District
125 West, State Capitol
608-266-1184 / kirsten.seeman@legis.wi.gov

-----Original Message-----

From: Kreye, Joseph
Sent: Monday, January 28, 2013 9:26 AM
To: Seeman, Kirsten
Subject: RE: Fiscal estimate - sales tax holiday

Kirsten,

Our program assistant submitted it this morning. It goes to DOA and DOA assigns it to DOR.

Joe

Joseph T. Kreye
Senior Legislative Attorney
Legislative Reference Bureau
608 266 2263

-----Original Message-----

From: Seeman, Kirsten
Sent: Monday, January 28, 2013 9:03 AM
To: Kreye, Joseph
Subject: RE: Fiscal estimate - sales tax holiday

Hi, Joe:

Do you know if this submission ever made it over to DOR? I wanted to check later today to see where they are with it.

Thanks!

Kirsten Seeman
Research Assistant
Office of State Representative Chad Weininger 4th Assembly District
125 West, State Capitol
608-266-1184 / kirsten.seeman@legis.wi.gov

-----Original Message-----

From: Kreye, Joseph
Sent: Friday, January 25, 2013 3:42 PM
To: Seeman, Kirsten; Wagner, Michael W - DOR
Subject: RE: Fiscal estimate - sales tax holiday

I have forwarded the request to our lead program assistant who will submit it.

Joe

Joseph T. Kreye
Senior Legislative Attorney
Legislative Reference Bureau
608 266 2263

-----Original Message-----

From: Seeman, Kirsten
Sent: Friday, January 25, 2013 3:20 PM
To: Wagner, Michael W - DOR
Cc: Kreye, Joseph
Subject: RE: Fiscal estimate - sales tax holiday

Joe:

Could you please submit the sales tax holiday draft to Michael in order for us to get a fiscal estimate?

Thank you,

Kirsten

-----Original Message-----

From: Wagner, Michael W - DOR [<mailto:MichaelW.Wagner@revenue.wi.gov>]
Sent: Fri 1/25/2013 3:11 PM
To: Seeman, Kirsten
Subject: RE: Fiscal estimate - sales tax holiday

Kristen,

We'll be able to provide a formal estimate since we have a bill draft. However, the LRB will need to submit the draft to us. If you talk to Joe Kreye, whom I believe drafted this for you, he will be able to submit it through the system.

We require formal submissions of bill drafts because that way we can ensure that fiscal estimates are formally assigned to staff and reviewed.

Thanks,

Mike

From: Seeman, Kirsten [<mailto:Kirsten.Seeman@legis.wisconsin.gov>]
Sent: Friday, January 25, 2013 3:06 PM
To: Wagner, Michael W - DOR
Subject: Fiscal estimate - sales tax holiday

Hi, Michael:

I was wondering if you would be able to give me an estimate for a sales tax holiday bill Rep. Weininger and Sen. Gudex are looking to introduce next week. We were planning on reaching out to leadership and the Governor's office early next week, and wanted to have preliminary estimate for them.

I have attached the bill draft, so that you're able to see what we're looking to do.

This is a top priority for Rep. Weininger, so he would like it quickly.

Thanks, and please let me know if there's questions or concerns.

Kirsten

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Kreye, Joseph

From: Hanaman, Cathlene
Sent: Monday, January 28, 2013 8:43 AM
To: Kreye, Joseph
Subject: FW: Statutory Language Drafting Request - BB0429

From: Caitlin.Frederick@Wisconsin.gov [<mailto:Caitlin.Frederick@Wisconsin.gov>]
Sent: Saturday, January 26, 2013 2:55 PM
To: Hanaman, Cathlene
Cc: Frederick, Caitlin - DOA; Frederick, Caitlin - DOA; Thornton, Scott - DOA
Subject: Statutory Language Drafting Request - BB0429

Biennial Budget: 2013-15

DOA Tracking Code: BB0429

Topic: Study of the use of digital cigarette stamps

SBO Team: TLGED

SBO Analyst: Frederick, Caitlin - DOA
Phone: (608) 266-1040
E-mail: Caitlin.Frederick@Wisconsin.gov

Agency Acronym: DOR

Agency Number: 566

Priority: High

Intent:

Non statutory provision requiring the Department of Revenue to study the use of pressure-applied stamps for cigarette packages which would include a discussion on the available alternatives, and the impact to manufacturers and those who receive the cigarettes for sales on the cost of the stamps. DOR would report to the Governor by June 30, 2014 on their findings.

Note: LRB 0357 authorized the use of pressure applied stamps. This non stat language (which should be a separate draft #) would replace the authorization of the stamping method with a study of the impact on the above-referenced groups.

Attachments: False

Please send completed drafts to statlanguage@wisapps.wi.gov



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-1317/1
JK:sac:jd

Aug 5

1363/1
RMR

2013 BILL

Today 1-28

- gen cat

1 AN ACT to create 77.54 (60) and 77.54 (61) of the statutes; relating to: sales tax
2 holidays in August and in November.

Analysis by the Legislative Reference Bureau

Under this bill, annually, for the three-day period beginning on the first Friday in August and ending on the following Sunday, the sales of the following items are exempt from the sales tax and the use tax:

1. An item of clothing, not including clothing accessories, if the sales price of any single item is no more than \$100.
2. A computer purchased by the consumer for the consumer's personal use, if the sales price of the computer is no more than \$3,500.
3. Computer-related equipment, if the sales price of any single item is no more than \$250.
4. School instructional materials, if the sales price of any single item is no more than \$300.
5. School supplies, if the sales price of any single item is no more than \$100.
6. Sport or recreational equipment, if the sales price of any single item is no more than \$50.

The bill also provides that, annually, for the three-day period beginning on the first Friday in November and ending on the following Sunday, the sales of Energy Star products purchased by a consumer for the consumer's personal use are exempt from the sales tax and the use tax.

The bill provides, however, that the exemptions for August and November do not apply in any year in which the Department of Revenue determines, by May 1,

BILL

that the state's financial situation would make implementation of the exemptions imprudent.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 77.54 (60) of the statutes is created to read:

2 77.54 (60) (a) In this subsection:

3 1. "Clothing" means any wearing apparel for humans that is suitable for
4 general use, not including protective equipment and sport or recreational
5 equipment.

6 2. "Clothing accessories" means incidental items worn on a person or in
7 conjunction with clothing, including jewelry, handbags, cosmetics, umbrellas,
8 nonprescription sunglasses, watches, wallets, wigs, handkerchiefs, hair notions, and
9 other similar items.

10 3. "Computer-related equipment" means the individual components of a
11 computer that are used with the computer, including printers, modems, keyboards,
12 monitors, personal data assistant devices, peripheral devices, and computer
13 software, if the computer software is not designed for use with a game device, game
14 console, or similar device.

15 4. "Protective equipment" means any wearing apparel for humans that is not
16 suitable for general use and is designed to protect the person who wears the apparel
17 from injury or disease or to protect property or other persons from damage or injury.

18 "Protective equipment" includes breathing masks, clean room apparel, ear and

BILL

1 hearing protectors, face shields, hard hats, helmets, except for helmets worn in
2 conjunction with an athletic or recreational activity, paint or dust respirators,
3 protective gloves, safety glasses and goggles, safety belts, and tool belts.

4 5. "School instructional materials" means reference books, reference maps and
5 globes, textbooks, and workbooks.

6 6. "School supplies" means book bags, chalk, erasers, clipboards, composition
7 books, construction paper, crayons, crayon boxes, flash cards, folders, glue, index
8 cards, ink, ink cartridges, mechanical pencil refills, paper clips, paste, pencil boxes,
9 pencil sharpeners, protractors, rulers, scissors, staplers, staples, tape, pens, pencils,
10 notebooks, paper, calculators, dictionaries, and thesauruses.

11 7. "Sport or recreational equipment" means any item that is not suitable for
12 general use and is designed to be used by a person and worn in conjunction with an
13 athletic or recreational activity. "Sport or recreational equipment" includes ballet
14 shoes, tap shoes, athletic shoes that are intended to be worn with cleats or spikes,
15 gloves that are used to participate in a sport or recreational activity, hand and elbow
16 guards, mouthguards, shin guards, roller or in-line skates, ice skates, life preservers
17 and vests, shoulder pads, wet suits, fins, ski boots, and waders.

18 (b) Except as provided in par. (c), annually, beginning in August 2013, for the
19 3-day period beginning on the first Friday in August and ending on the following
20 Sunday, the sales price from the sale of and the storage, use, or other consumption
21 of the following:

22 1. Clothing, not including clothing accessories, if the sales price of any single
23 item is no more than \$100.

24 2. A computer purchased by the consumer for the consumer's personal use, if
25 the sales price of the computer is no more than \$3,500.

Kreye, Joseph

From: Kuesel, Jeffery
Sent: Tuesday, January 29, 2013 1:24 PM
To: Kreye, Joseph
Subject: FW: changes to lrb 1363/1
Attachments: SSUTA definitions.docx

From: Burri, Lance
Sent: Tuesday, January 29, 2013 1:24 PM
To: Kuesel, Jeffery
Cc: Seeman, Kirsten
Subject: changes to lrb 1363/1

Jeff, per my voice message, I've attached a document with the current definitions. I think we don't really need to include the long list of examples under "clothing," since it's not an exclusive list. Let me know what you think. Also, if you would do a /2 for both us and Rep. Weininger, that would be great.

Thanks.

Lance Burri
Office of Sen. Rick Gudex
608-266-5300

<http://www.streamlinedsalestax.org/uploads/downloads/Archive/SSUTA/SSUTA%20As%20Amended%205-24-12.pdf>

“Clothing” means all human wearing apparel suitable for general use. The following list contains examples and is not intended to be an all-inclusive list.

A. “Clothing” shall include:

1. Aprons, household and shop;
2. Athletic supporters;
3. Baby receiving blankets;
4. Bathing suits and caps;
5. Beach capes and coats;
6. Belts and suspenders;
7. Boots;
8. Coats and jackets;
9. Costumes;
10. Diapers, children and adult, including disposable diapers;
11. Ear muffs;
12. Footlets;
13. Formal wear;
14. Garters and garter belts;
15. Girdles;
16. Gloves and mittens for general use;
17. Hats and caps;
18. Hosiery;
19. Insoles for shoes;
20. Lab coats;
21. Neckties;
22. Overshoes;
23. Pantyhose;
24. Rainwear;
25. Rubber pants;
26. Sandals;
27. Scarves;
28. Shoes and shoe laces;
29. Slippers;
30. Sneakers;
31. Socks and stockings;
32. Steel toed shoes;
33. Underwear;
34. Uniforms, athletic and non-athletic; and
35. Wedding apparel.

B. “Clothing” shall not include:

1. Belt buckles sold separately;
2. Costume masks sold separately;
3. Patches and emblems sold separately;
4. Sewing equipment and supplies including, but not limited to, knitting needles, patterns, pins, scissors, sewing machines, sewing needles, tape measures, and thimbles; and
5. Sewing materials that become part of “clothing” including, but not limited to, buttons, fabric, lace, thread, yarn, and zippers.

"Clothing accessories or equipment" means incidental items worn on the person or in conjunction with "clothing." "Clothing accessories or equipment" are mutually exclusive of and may be taxed differently than apparel within the definition of "clothing," "sport or recreational equipment," and "protective equipment." The following list contains examples and is not intended to be an all-inclusive list. "Clothing accessories or equipment" shall include:

1. Briefcases;
2. Cosmetics;
3. Hair notions, including, but not limited to, barrettes, hair bows, and hair nets;
4. Handbags;
5. Handkerchiefs;
6. Jewelry;
7. Sun glasses, non-prescription;
8. Umbrellas;
9. Wallets;
10. Watches; and
11. Wigs and hair pieces.

Instead of "Computer-related equipment"

"School computer supply" is an item commonly used by a student in a course of study in which a computer is used. The term is mutually exclusive of the terms "school supply," "school art supply," and "school instructional material," and may be taxed differently. The following is an all-inclusive list:

1. Computer storage media; diskettes, compact disks;
2. Handheld electronic schedulers, except devices that are cellular phones;
3. Personal digital assistants, except devices that are cellular phones;
4. Computer printers; and
5. Printer supplies for computers; printer paper, printer ink.

"Protective equipment" means items for human wear and designed as protection of the wearer against injury or disease or as protections against damage or injury of other persons or property but not suitable for general use. "Protective equipment" are mutually exclusive of and may be taxed differently than apparel within the definition of "clothing," "clothing accessories or equipment," and "sport or recreational equipment." The following list contains examples and is not intended to be an all-inclusive list. "Protective equipment" shall include:

1. Breathing masks;
2. Clean room apparel and equipment;
3. Ear and hearing protectors;
4. Face shields;
5. Hard hats;
6. Helmets;
7. Paint or dust respirators;
8. Protective gloves;
9. Safety glasses and goggles;
10. Safety belts;
11. Tool belts; and
12. Welders gloves and masks.

"Sport or recreational equipment" means items designed for human use and worn in conjunction with an athletic or recreational activity that are not suitable for general use. "Sport or recreational equipment" are mutually exclusive of and may be taxed differently than apparel within the definition of "clothing," "clothing accessories or equipment," and "protective equipment." The following list contains examples and is not intended to be an all-inclusive list. "Sport or recreational equipment" shall include:

1. Ballet and tap shoes;
2. Cleated or spiked athletic shoes;
3. Gloves, including, but not limited to, baseball, bowling, boxing, hockey, and golf;
4. Goggles;
5. Hand and elbow guards;
6. Life preservers and vests;
7. Mouth guards;
8. Roller and ice skates;
9. Shin guards;
10. Shoulder pads;
11. Ski boots;
12. Waders; and
13. Wetsuits and fins.

"School supply" is an item commonly used by a student in a course of study. The term is mutually exclusive of the terms "school art supply," "school instructional material," and "school computer supply," and may be taxed differently. The following is an all-inclusive list:

1. Binders;
2. Book bags;
3. Calculators;
4. Cellophane tape;
5. Blackboard chalk;
6. Compasses;
7. Composition books;
8. Crayons;
9. Erasers;
10. Folders; expandable, pocket, plastic, and manila;
11. Glue, paste, and paste sticks;
12. Highlighters;
13. Index cards;
14. Index card boxes;
15. Legal pads;
16. Lunch boxes;
17. Markers;
18. Notebooks;
19. Paper; loose leaf ruled notebook paper, copy paper, graph paper, tracing paper, manila paper, colored paper, poster board, and construction paper;

20. Pencil boxes and other school supply boxes;
21. Pencil sharpeners;
22. Pencils;
23. Pens;
24. Protractors;
25. Rulers;
26. Scissors; and
27. Writing tablets.

“School instructional material” is written material commonly used by a student in a course of study as a reference and to learn the subject being taught. The term is mutually exclusive of the terms “school supply,” “school art supply,” and “school computer supply,” and may be taxed differently. The following is an all-inclusive list:

1. Reference books;
2. Reference maps and globes;
3. Textbooks; and
4. Workbooks.

Kreye, Joseph

From: Seeman, Kirsten
Sent: Tuesday, February 12, 2013 12:17 PM
To: Kreye, Joseph; Burri, Lance
Subject: RE: Sales tax holiday /2

Saturday and Sunday, please.

Kirsten Seeman
Research Assistant
Office of State Representative Chad Weininger
4th Assembly District
125 West, State Capitol
608-266-1184 / kirsten.seeman@legis.wi.gov

From: Kreye, Joseph
Sent: Tuesday, February 12, 2013 12:16 PM
To: Seeman, Kirsten; Burri, Lance
Subject: RE: Sales tax holiday /2

Thanks Kirsten.

Currently the 3-day period begins on a Friday and ends on a Sunday. Do you want the 2-day period do be Friday and Saturday or Saturday and Sunday?

Joe

Joseph T. Kreye
Senior Legislative Attorney
Legislative Reference Bureau
608 266 2263

From: Seeman, Kirsten
Sent: Tuesday, February 12, 2013 12:12 PM
To: Kreye, Joseph; Burri, Lance
Subject: RE: Sales tax holiday /2

Hi, Joe:

The changes we're going to make are:

- Changing the STH from a 3-day holiday to a 2-day holiday.
- Changing the clothing maximum price to \$75.
- Changing the computer price maximum to \$2,000.
- Lowering school supplies to \$75.
- Eliminating the sports and recreational equipment.
- And changing the definitions to what Lance sent you earlier.

Let me know if there are any questions!

Kirsten Seeman
Research Assistant
Office of State Representative Chad Weininger
4th Assembly District
125 West, State Capitol
608-266-1184 / kirsten.seeman@legis.wi.gov

From: Kreye, Joseph
Sent: Thursday, February 07, 2013 9:02 AM
To: Burri, Lance
Cc: Seeman, Kirsten
Subject: RE: Sales tax holiday /2

Lance,

Thanks for the update.

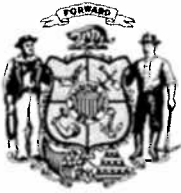
Joe

From: Burri, Lance
Sent: Wed 2/6/2013 4:37 PM
To: Kreye, Joseph
Cc: Seeman, Kirsten
Subject: Sales tax holiday /2

Joe, we're still sitting on the /2 until we get a little more info, but we will probably go from a 3-day holiday to a 2-day. We also may reduce the price limit on clothing to \$75, and reduce the computer price.

Just FYI for now. Thanks.

Lance Burri
Office of Sen. Rick Gudex
608-266-5300



12
RAR

2013 BILL

in 2-12-13
due thru 2-19

gen cat

1 AN ACT to create 77.54 (60) and 77.54 (61) of the statutes; relating to: sales tax
2 holidays in August and in November.

Saturday

Analysis by the Legislative Reference Bureau

Under this bill, annually, for the three-day period beginning on the first Friday in August and ending on the following Sunday, the sales of the following items are exempt from the sales tax and the use tax:

School computer supplies

1. An item of clothing, not including clothing accessories, if the sales price of any single item is no more than ~~\$100~~ \$75.
2. A computer purchased by the consumer for the consumer's personal use, if the sales price of the computer is no more than ~~\$3,500~~ \$2,000.
3. Computer-related equipment, if the sales price of any single item is no more than \$250.
4. School instructional materials, if the sales price of any single item is no more than \$300.
5. School supplies, if the sales price of any single item is no more than ~~\$100~~ \$75.
6. Sport or recreational equipment, if the sales price of any single item is no more than \$50.

The bill also provides that, annually, for the three-day period beginning on the first Friday in November and ending on the following Sunday, the sales of Energy Star products purchased by a consumer for the consumer's personal use are exempt from the sales tax and the use tax.

The bill provides, however, that the exemptions for August and November do not apply in any year in which the Department of Revenue determines, by May 1,

Saturday

two-day

BILL

that the state's financial situation would make implementation of the exemptions imprudent.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 77.54 (60) of the statutes is created to read:

2 77.54 **(60)** (a) In this subsection:

Insert 2-5

3 1. "Clothing" means any wearing apparel for humans that is suitable for
4 general use, not including protective equipment and sport or recreational

5 equipment. *all of the following:* *or equipment*

6 2. "Clothing accessories" means incidental items worn on a person or in
7 conjunction with clothing, including jewelry, handbags, cosmetics, umbrellas,

Insert 2-9

8 nonprescription sunglasses, watches, wallets, wigs, handkerchiefs, hair notions, and
9 other similar items. *all of the following:*

10 3. "Computer-related equipment" means the individual components of a
11 computer that are used with the computer, including printers, modems, keyboards,
12 monitors, personal data assistant devices, peripheral devices, and computer
13 software, if the computer software is not designed for use with a game device, game
14 console, or similar device.

15 4. "Protective equipment" means any wearing apparel for humans that is not
16 suitable for general use and is designed to protect the person who wears the apparel
17 from injury or disease or to protect property or other persons from damage or injury.

18 "Protective equipment" includes breathing masks, clean room apparel, ear and

BILL

Amend
3-3

1 hearing protectors, face shields, hard hats, helmets, except for helmets worn in
2 conjunction with an athletic or recreational activity, paint or dust respirators,
3 protective gloves, safety glasses and goggles, safety belts, and tool belts.

Amend
3-5

4 ⁴ 5. "School instructional materials" means reference books, reference maps and
5 globes, textbooks, and workbooks.

Amend
3-10

meets

6 ⁵ 6. "School supplies" means book bags, chalk, erasers, clipboards, composition
7 books, construction paper, crayons, crayon boxes, flash cards, folders, glue, index
8 cards, ink, ink cartridges, mechanical pencil refills, paper clips, paste, pencil boxes,
9 pencil sharpeners, protractors, rulers, scissors, staplers, staples, tape, pens, pencils,
10 notebooks, paper, calculators, dictionaries, and thesauruses.

11 7. "Sport or recreational equipment" means any item that is not suitable for
12 general use and is designed to be used by a person and worn in conjunction with an
13 athletic or recreational activity. "Sport or recreational equipment" includes ballet
14 shoes, tap shoes, athletic shoes that are intended to be worn with cleats or spikes,
15 gloves that are used to participate in a sport or recreational activity, hand and elbow
16 guards, mouthguards, shin guards, roller or in-line skates, ice skates, life preservers
17 and vests, shoulder pads, wet suits, fins, ski boots, and waders.

2-day
3-day

18 (b) Except as provided in par. (c), annually, beginning in August 2013, for the
19 ~~3-day~~ period beginning on the first ~~Friday~~ ^{Saturday} in August and ending on the following
20 Sunday, the sales price from the sale of and the storage, use, or other consumption
21 of the following:

22 1. Clothing, not including clothing accessories, ^{or equipment} if the sales price of any single
23 item is no more than ~~\$100~~ ^{\$75}

24 2. A computer purchased by the consumer for the consumer's personal use, if
25 the sales price of the computer is no more than ~~\$3,500~~ ^{\$2,000}

BILL

SECTION 1

School computer supplies

1 3. Computer-related equipment purchased by the consumer for the consumer's
2 personal use, if the sales price of any single item is no more than \$250.

3 4. School instructional materials, if the sales price of any single item is no more
4 than \$300.

5 5. School supplies, if the sales price of any single item is no more than ~~\$100~~

\$75

6 6. Sport or recreational equipment, if the sales price of any single item is no
7 more than \$50.

8 (c) This subsection does not apply in any year in which the department
9 determines, no later than May 1, that the state's financial situation would make
10 implementation of this subsection imprudent.

SECTION 2. 77.54 (61) of the statutes is created to read:

12 77.54 (61) (a) In this subsection, "energy star qualified product" means a
13 product that meets the energy efficient guidelines set by the federal environmental
14 protection agency and the federal department of energy and is authorized by such
15 agencies to carry the Energy Star label.

Saturday

16 (b) *3 day* Except as provided in par. (c), annually, beginning in November 2012, for
17 the 3-day period beginning on the first Friday in November and ending on the
18 following Sunday, the sales price from the sale of and the storage, use, or other
19 consumption of energy star qualified products that are purchased by the consumer
20 for the consumer's personal use.

21 (c) This subsection does not apply in any year in which the department
22 determines, no later than May 1, that the state's financial situation would make
23 implementation of this subsection imprudent.

**2013-2014 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1363/2ins
JK:.....

Insert 2 - 5

- 1 a. Belt buckles sold separately.
- 2 b. Costume masks sold separately.
- 3 c. Patches and emblems sold separately.
- 4 d. Sewing equipment and supplies, including knitting needles, patterns, pins,
- 5 scissors, sewing machines, sewing needles, tape measures, and thimbles.
- 6 e. Sewing materials that become part of clothing, including buttons, fabric,
- 7 lace, thread, yarn, and zippers.

Insert 2 - 9

- 8 a. Briefcases.
- 9 b. Cosmetics.
- 10 c. Hair notions, including barrettes, hair bows, and hair nets.
- 11 d. Handbags.
- 12 e. Handkerchiefs.
- 13 f. Jewelry.
- 14 g. Nonprescription sunglasses.
- 15 h. Umbrellas.
- 16 i. Wallets.
- 17 j. Watches.
- 18 k. Wigs.
- 19 L. Hair pieces.

Insert 3 - 3

20 ③
21 ④ "School computer supply" means any of the following items that are
commonly used by a student in a course of study in which a computer is used:

- 1 a. Computer storage media, diskettes, and compact discs.
- 2 b. Handheld electronic schedulers, not including cellular phones.
- 3 c. Personal digital assistants, not including cellular phones.
- 4 d. Computer printers.
- 5 e. Printer supplies for computers, printer paper, and printer ink.

Insert 3 - 5

6 ^{no 9} any of the following that is commonly used by a student in a course of study as
7 a reference and to learn the subject being taught:

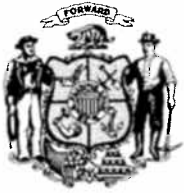
- 8 a. Reference books.
- 9 b. Reference maps and globes.
- 10 c. Textbooks.
- 11 d. Workbooks.

Insert 3 - 10

12 ^{no 9} any of the following items that are commonly used by a student in a course of
13 study:

- 14 a. Binders.
- 15 b. Book bags.
- 16 c. Calculators.
- 17 d. Cellophane tape.
- 18 e. Blackboard chalk.
- 19 f. Compasses.
- 20 g. Composition books.
- 21 h. Crayons.
- 22 i. Erasers.

- 1 j. Folders.
- 2 k. Glue, paste, and paste sticks.
- 3 L. Highlighters.
- 4 m. Index cards.
- 5 n. Index card boxes.
- 6 o. Legal pads.
- 7 p. Lunch boxes.
- 8 q. Markers.
- 9 r. Notebooks.
- 10 s. Loose leaf ruled notebook paper, copy paper, graph paper, tracing paper,
11 manila paper, colored paper, poster board, and construction paper.
- 12 t. Pencil boxes and other school supply boxes.
- 13 u. Pencil sharpeners.
- 14 v. Pencils.
- 15 w. Pens.
- 16 x. Protractors.
- 17 y. Rulers.
- 18 z. Scissors.
- 19 za. Writing tablets.



3
RMR

2013 BILL

in 2-14-13
D-N
- gen cat
due turn 2-19

- 1 AN ACT *to create* 77.54 (60) and 77.54 (61) of the statutes; **relating to:** sales tax
- 2 holidays in August and in November.

Analysis by the Legislative Reference Bureau

Under this bill, annually, for the two-day period beginning on the first Saturday in August and ending on the following Sunday, the sales of the following items are exempt from the sales tax and the use tax:

1. An item of clothing, not including clothing accessories, if the sales price of any single item is no more than \$75.
2. A computer purchased by the consumer for the consumer's personal use, if the sales price of the computer is no more than \$2,000.
3. School computer supplies, if the sales price of any single item is no more than \$250.
4. School instructional materials, if the sales price of any single item is no more than \$300.
5. School supplies, if the sales price of any single item is no more than \$75.

The bill also provides that, annually, for the two-day period beginning on the first Saturday in November and ending on the following Sunday, the sales of Energy Star products purchased by a consumer for the consumer's personal use are exempt from the sales tax and the use tax.

The bill provides, however, that the exemptions for August and November do not apply in any year in which the Department of Revenue determines, by May 1, that the state's financial situation would make implementation of the exemptions imprudent.

BILL

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 77.54 (60) of the statutes is created to read:

2 77.54 **(60)** (a) In this subsection:

3 1. “Clothing” means any wearing apparel for humans that is suitable for
4 general use, not including all of the following:

5 a. Belt buckles sold separately.

6 b. Costume masks sold separately.

7 c. Patches and emblems sold separately.

8 d. Sewing equipment and supplies, including knitting needles, patterns, pins,
9 scissors, sewing machines, sewing needles, tape measures, and thimbles.

10 e. Sewing materials that become part of clothing, including buttons, fabric,
11 lace, thread, yarn, and zippers.

12 2. “Clothing accessories or equipment” means incidental items worn on a
13 person or in conjunction with clothing, including all of the following:

14 a. Briefcases.

15 b. Cosmetics.

16 c. Hair notions, including barrettes, hair bows, and hair nets.

17 d. Handbags.

18 e. Handkerchiefs.

19 f. Jewelry.

BILL

- 1 g. Nonprescription sunglasses.
- 2 h. Umbrellas.
- 3 i. Wallets.
- 4 j. Watches.
- 5 k. Wigs.
- 6 L. Hair pieces.
- 7 3. “School computer supply” means any of the following items that are
- 8 commonly used by a student in a course of study in which a computer is used:
- 9 a. Computer storage media, diskettes, and compact discs.
- 10 b. Handheld electronic schedulers, not including cellular phones.
- 11 c. Personal digital assistants, not including cellular phones.
- 12 d. Computer printers.
- 13 e. Printer supplies for computers, printer paper, and printer ink.
- 14 4. “School instructional material” means any of the following that is commonly
- 15 used by a student in a course of study as a reference and to learn the subject being
- 16 taught:
- 17 a. Reference books.
- 18 b. Reference maps and globes.
- 19 c. Textbooks.
- 20 d. Workbooks.
- 21 5. “School supply” means any of the following items that are commonly used
- 22 by a student in a course of study:
- 23 a. Binders.
- 24 b. Book bags.
- 25 c. Calculators.

BILL

- 1 d. Cellophane tape.
- 2 e. Blackboard chalk.
- 3 f. Compasses.
- 4 g. Composition books.
- 5 h. Crayons.
- 6 i. Erasers.
- 7 j. Folders.
- 8 k. Glue, paste, and paste sticks.
- 9 L. Highlighters.
- 10 m. Index cards.
- 11 n. Index card boxes.
- 12 o. Legal pads.
- 13 p. Lunch boxes.
- 14 q. Markers.
- 15 r. Notebooks.
- 16 s. Loose-leaf ruled notebook paper, copy paper, graph paper, tracing paper,
17 manila paper, colored paper, poster board, and construction paper.
- 18 t. Pencil boxes and other school supply boxes.
- 19 u. Pencil sharpeners.
- 20 v. Pencils.
- 21 w. Pens.
- 22 x. Protractors.
- 23 y. Rulers.
- 24 z. Scissors.
- 25 za. Writing tablets.

BILL

1 (b) Except as provided in par. (c), annually, beginning in August 2013, for the
2 2-day period beginning on the first Saturday in August and ending on the following
3 Sunday, the sales price from the sale of and the storage, use, or other consumption
4 of the following:

5 1. Clothing, not including clothing accessories or equipment, if the sales price
6 of any single item is no more than \$75.

7 2. A computer purchased by the consumer for the consumer's personal use, if
8 the sales price of the computer is no more than \$2,000.

9 3. School computer supplies purchased by the consumer for the consumer's
10 personal use, if the sales price of any single item is no more than \$250.

11 4. School instructional materials, if the sales price of any single item is no more
12 than \$300.

13 5. School supplies, if the sales price of any single item is no more than \$75.

14 (c) This subsection does not apply in any year in which the department
15 determines, no later than May 1, that the state's financial situation would make
16 implementation of this subsection imprudent.

17 **SECTION 2.** 77.54 (61) of the statutes is created to read:

18 77.54 (61) (a) In this subsection, "energy star qualified product" means a
19 product that meets the energy efficient guidelines set by the federal environmental
20 protection agency and the federal department of energy and is authorized by such
21 agencies to carry the Energy Star label.

22 (b) Except as provided in par. (c), annually, beginning in November ~~2012~~ for
23 the 2-day period beginning on the first Saturday in November and ending on the
24 following Sunday, the sales price from the sale of and the storage, use, or other

2013

BILL

SECTION 2

1 consumption of energy star qualified products that are purchased by the consumer
2 for the consumer's personal use.

3 (c) This subsection does not apply in any year in which the department
4 determines, no later than May 1, that the state's financial situation would make
5 implementation of this subsection imprudent.

6 (END)

- date -

1863/307
JK: sac

Senator Gudex:

I redrafted the bill to correct an error regarding the November date for the sales tax holiday.

JK

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1363/3dn
JK:sac:jf

February 14, 2013

Senator Gudex:

I redrafted the bill to correct an error regarding the November date for the sales tax holiday.

Joseph T. Kreye
Senior Legislative Attorney
Phone: (608) 266-2263
E-mail: joseph.kreye@legis.wisconsin.gov

Barman, Mike

From: Burri, Lance
Sent: Tuesday, February 26, 2013 5:09 PM
To: LRB.Legal
Subject: Draft Review: LRB -1363/3 Topic: August and November sales tax holidays; DOR approval

Please Jacket LRB -1363/3 for the SENATE.