



2013 SENATE BILL 348

1 **AN ACT** *to amend* 77.52 (2) (a) 10. and 77.52 (13); and *to repeal and recreate*
2 77.54 (5) (a) of the statutes; **relating to:** the sales and use tax exemption for
3 aircraft parts, maintenance, and labor.

Analysis by the Legislative Reference Bureau

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

4 **SECTION 1.** 77.52 (2) (a) 10. of the statutes is amended to read:
5 77.52 (2) (a) 10. Except for the repair, service, alteration, fitting, cleaning,
6 painting, coating, towing, inspection, and maintenance of any aircraft or aircraft
7 parts; except for services provided by veterinarians; and except for installing or
8 applying tangible personal property, or items or goods under sub. (1) (b) or (d), that,
9 subject to par. (ag), when installed or applied, will constitute an addition or capital
10 improvement of real property; the repair, service, alteration, fitting, cleaning,

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

19 **SECTION 2.** 77.52 (13) of the statutes is amended to read:

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

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1 prescribed by the department, to the effect that the property, item, good, or service
2 is purchased for resale or is otherwise exempt, except that no certificate is required
3 for the sale of tangible personal property, or items, property, or goods under sub. (1)
4 (b), (c), or (d), or services that are exempt under s. 77.54 (5) (a) 3., (7), (7m), (8), (10),
5 (11), (14), (15), (17), (20n), (21), (22b), (31), (32), (35), (36), (37), (42), (44), (45), (46),
6 (51), and (52).

7 **SECTION 3.** 77.54 (5) (a) of the statutes is repealed and recreated to read:

8 77.54 (5) (a) 1. Aircraft, including accessories, attachments, and fuel for such
9 aircraft, sold to persons using the aircraft as certified or licensed carriers of persons
10 or property in interstate or foreign commerce under authority of the laws of the
11 United States or any foreign government, or sold to any foreign government for use
12 by such government outside this state.

13 2. Aircraft, including attachments for such aircraft, sold to persons who are not
14 residents of this state and who will not use such aircraft in this state otherwise than
15 in the removal of such aircraft from this state or in the repair, service, alteration,
16 fitting, cleaning, painting, coating, towing, inspection, and maintenance of such
17 aircraft in this state.

18 3. Parts used to modify or repair aircraft.

19 4. Motor vehicles or truck bodies sold to persons who are not residents of this
20 state and who will not use such motor vehicles or trucks for which the truck bodies
21 were made in this state otherwise than in the removal of such motor vehicles or
22 trucks from this state.

23 **SECTION 4. Effective date.**

