2015 SENATE BILL 300

October 9, 2015 – Introduced by Senators TIFFANY, ROTH, OLSEN, LAZICH, STROEBEL and SHILLING, cosponsored by Representatives SWEARINGEN, NYGREN, BARCA, JARCHOW, E. BROOKS, KULP, PETERSEN, STEFFEN, KITCHENS, SCHRAA, A. OTT, GENRICH, MURPHY, T. LARSON, MURTHA, MURSAU, SINICKI, C. TAYLOR, CZAJA, STUCK, HINTZ, JACQUE and KNODL. Referred to Committee on Revenue, Financial Institutions, and Rural Issues.

AN ACT to amend 77.52 (2) (a) 2. a.; and to create 77.52 (2) (a) 2. d. and 77.54 (63) of the statutes; relating to: the sales and use tax imposed on a jukebox.

Analysis by the Legislative Reference Bureau

This bill provides that, with regard to playing a jukebox, the sales tax is imposed only on the sales of playing time on the jukebox. The sales tax is also not imposed on the digital goods that are sold, licensed, leased, or rented for use on or as part of the jukebox.

The bill also provides a sales and use tax exemption for the sale of the following:

1. Tangible personal property that is sold to a person in the business of providing a taxable service through a jukebox if the tangible personal property holds music for the jukebox and is used exclusively for the jukebox.

2. Tangible personal property that holds music and is sold as part of a jukebox if the sales price of such property is separately indicated from the sales price of the jukebox on the invoice that the seller gives to the purchaser.

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:
SECTION 1. 77.52 (2) (a) 2. a. of the statutes is amended to read:

77.52 (2) (a) 2. a. Except as provided in subd. 2. b. and c., and d., the sale of admissions to amusement, athletic, entertainment or recreational events or places except county fairs, the sale, rental or use of regular bingo cards, extra regular cards, special bingo cards and the sale of bingo supplies to players and the furnishing, for dues, fees or other considerations, the privilege of access to clubs or the privilege of having access to or the use of amusement, entertainment, athletic or recreational devices or facilities, including the sale or furnishing of use of recreational facilities on a periodic basis or other recreational rights, including but not limited to membership rights, vacation services and club memberships.

SECTION 2. 77.52 (2) (a) 2. d. of the statutes is created to read:

77.52 (2) (a) 2. d. Taxable sales on the privilege of having access to or the use of a jukebox include only the sales of playing time on the jukebox. To the extent that playing time on a jukebox derives from playing specified digital goods or additional digital goods on the jukebox, the tax imposed under sub. (1) (d) does not apply to specified digital goods or additional digital goods sold, licensed, leased, or rented for use on or as part of the jukebox.

SECTION 3. 77.54 (63) of the statutes is created to read:

77.54 (63) The sales price from the sale of and the storage, use, or other consumption of all of the following:

(a) Tangible personal property that is sold to a person in the business of providing a taxable service through a jukebox if the tangible personal property holds music for the jukebox and is used exclusively for the jukebox.

(b) Tangible personal property that holds music and is sold as part of a jukebox if the sales price of such property is separately indicated from the sales price of the
jukebox on the invoice, bill of sale, or similar document that the seller gives to the
purchaser.

SECTION 4. Effective date.

(1) This act takes effect on January 1, 2016.