



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-1124/P1
JK:jld

DOA:.....Quinn, BB0146 - Sourcing rules clarification

FOR 2017-2019 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

TAXATION

INCOME TAXATION

This bill modifies current law so that the income and franchise tax is imposed on the gross receipts from services relating to tangible personal property delivered to customers in this state and purchased by individuals who are physically present in this state at the time the services are received.

For further information see the *state* 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. 71.04 (7) (dh) 2. b. of the statutes is amended to read:

71.04 (7) (dh) 2. b. The service relates to ~~tangible personal property that is located in this state at the time that the service is received or tangible personal property that is delivered directly or indirectly to customers in this state.~~

SECTION 2. 71.04 (7) (dh) 2. c. of the statutes is amended to read:

71.04 (7) (dh) 2. c. The service is ~~provided to~~ purchased by an individual who is physically present in this state at the time that the service is received.

SECTION 3. 71.25 (9) (dh) 2. b. of the statutes is amended to read:

71.25 (9) (dh) 2. b. The service relates to ~~tangible personal property that is located in this state at the time that the service is received or~~ tangible personal property that is delivered directly or indirectly to customers in this state.

SECTION 4. 71.25 (9) (dh) 2. c. of the statutes is amended to read:

71.25 (9) (dh) 2. c. The service is ~~provided to~~ purchased by an individual who is physically present in this state at the time that the service is received.

SECTION 9338. Initial applicability; Revenue.

(1) SOURCING SERVICES. The treatment of sections 71.04 (7) (dh) 2. b. and c. and 71.25 (9) (dh) 2. b. and c. of the statutes first applies to taxable years beginning on January 1, 2017.

(END)