



State of Wisconsin
2025 - 2026 LEGISLATURE

LRB-1766/P2

KP:klm

DOA:.....Martin, BB0424 - Exempt OTC medications from sales tax

FOR 2025-2027 BUDGET -- NOT READY FOR INTRODUCTION

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

Analysis by the Legislative Reference Bureau

TAXATION

GENERAL TAXATION

Sales tax exemption for over-the-counter drugs

The bill creates a sales and use tax exemption for the sale of over-the-counter drugs.

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 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. 77.51 (9rm) of the statutes is created to read:

77.51 (9rm) "Over-the-counter-drug" means a drug that contains a label that identifies the product as a drug as required by [21 CFR 201.66](#), including a label that includes any of the following:

- (a) A drug facts panel.
- (b) A statement of the active ingredients with a list of those ingredients contained in the compound, substance, or preparation.

SECTION 2. 77.54 (14) (g) of the statutes is created to read:

77.54 (14) (g) Over-the-counter-drugs.

BILL

SECTION 9437

SECTION 9437. Effective dates; Revenue.

(1) OVER-THE-COUNTER DRUGS. The treatment of ss. 77.51 (9rm) and 77.54 (14) (g) takes effect on the first day of the 3rd month beginning after publication.

(END)