



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2015 Senate Bill 227

**Senate
Amendment 2**

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2015 SENATE BILL 227

Under current law, certain entities including counties, municipalities, school districts, and nonprofit organizations are exempt from sales or use tax on purchases or other consumption of tangible personal property. The exemption does not apply to a construction contractor hired by a sales- or use-tax-exempt entity for property purchased by the contractor for the tax-exempt entity's construction project.

The bill creates an exemption from sales or use tax on the sale of tangible personal property that becomes a component of a facility owned by a county, municipality, school district, or nonprofit organization. The exemption applies to tangible personal property purchased by a construction contractor who transfers the property to the county, municipality, school district, or nonprofit organization as part of constructing the facility.

SENATE AMENDMENT 2

Senate Amendment 2 expands the exemption created under the bill. In addition to facilities of a county, municipality, school district, or nonprofit organization, the amendment applies the exemption to facilities owned by a city-county hospital, sewerage commission, metropolitan sewerage district, or joint local water authority.

BILL HISTORY

Senator Marklein introduced the bill on August 11, 2015. On September 8, 2015, the Senate Committee on Revenue, Financial Institutions, and Rural Issues recommended passage of the bill on a vote of Ayes, 5; Noes, 0. On October 14, 2015, Senator Marklein offered Senate Amendment 2. On November 4, 2015, the Joint Committee on Finance recommended adoption

of the amendment, and passage of the bill, as amended, on votes of Ayes, 16; Noes, 0. On November 6, 2015, the Senate adopted the amendment by voice vote, and on the same day, the Senate passed the bill as amended on a vote of Ayes, 32; Noes, 0.

BL:jal