

State of Misconsin 2019 - 2020 LEGISLATURE

LRB-4818/1 JK:cdc

2019 ASSEMBLY BILL 703

January 2, 2020 - Introduced by Representatives Born, Kulp, Ballweg, Dittrich, Jagler, Murphy, Novak, Stubbs, Subeck and Skowronski, cosponsored by Senators Olsen, Marklein and Miller. Referred to Committee on State Affairs.

AN ACT to amend 77.54 (9m) of the statutes; relating to: a sales and use tax exemption for building materials that become a part of a facility for the University of Wisconsin Hospital and Clinics Authority.

Analysis by the Legislative Reference Bureau

This bill provides a sales and use tax exemption for tangible personal property sold to a construction contractor who transfers the property to the University of Wisconsin Hospitals and Clinics Authority as part of constructing a facility for the authority in this state. A similar exemption applies under current law to property sold to a contractor who transfers the property to a local unit of government, technical college district, or institution or campus of the University of Wisconsin System. Under current law, a sale of tangible personal property directly to the University of Wisconsin Hospitals and Clinics Authority is exempt from the sales and use tax, but the exemption does not apply to a contractor who purchases tangible personal property on the authority's behalf.

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:

ASSEMBLY BILL 703

SECTION 1. 77.54 (9m) of the statutes is amended to read:

77.54 (9m) The sales price from the sale of and the storage, use, or other consumption of tangible personal property, or items or property under s. 77.52 (1) (b) or (c), sold to a construction contractor that, in fulfillment of a real property construction activity, transfers the tangible personal property, or items or property under s. 77.52 (1) (b) or (c), to an entity described under sub. (9a) (b), (c), (d), (em), (f), or (fc) or (9g), a technical college district, the University of Wisconsin Hospital and Clinics Authority, the Board of Regents of the University of Wisconsin System, an institution, as defined in s. 36.05 (9), a college campus, as defined in s. 36.05 (6m), or the University of Wisconsin-Extension, if such tangible personal property, or items or property, becomes a component of a facility in this state that is owned by the entity. In this subsection, "facility" means any building, shelter, parking lot, parking garage, athletic field, athletic park, storm sewer, water supply system, or sewerage and waste water treatment facility, but does not include a highway, street, or road.

SECTION 2. Initial applicability.

(1) This act first applies to contracts entered into on the effective date of this subsection.

SECTION 3. Effective date.

(1) This act takes effect on the first day of the 3rd month beginning after publication.

21 (END)