
Wisconsin Legislative Council

AMENDMENT MEMO



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Contact: Dan Schmidt, Deputy Director

2021 Senate Bill 198

Senate Amendments 1 and 2

2021 SENATE BILL 198

2021 Senate Bill 198 modifies state law relating to the administration of the local room tax. Together with several more technical changes, the bill:

- Clarifies the terminology and procedures for collection of room taxes by “marketplace providers” who facilitate the sale of accommodations, including by requiring marketplace providers to submit quarterly reports to municipalities.¹
- Revises the definition of “short term rental” by defining it with an upper bound of fewer than 30 days rather than fewer than 29 days under current law.
- Revises provisions of the room tax statute to facilitate the exchange of information between municipalities.
- Specifies penalties applicable to marketplace providers for noncompliance with the statutes.
- Requires marketplace providers to submit reports to municipalities on a quarterly basis, and specifies the contents of such reports.

SENATE AMENDMENT 1

Senate Amendment 1 allows a marketplace provider and a municipality to mutually agree to a reporting schedule that is more frequent than the quarterly schedule for reporting under the bill.

SENATE AMENDMENT 2

Senate Amendment 2 modifies one component of the report that a marketplace provider must submit to a municipality. Specifically, the amendment requires a marketplace provider to report the total tax due, rather than the total tax collected, within the municipality.

BILL HISTORY

Senator Ballweg offered Senate Amendment 1 on April 12, 2021, and Senate Amendment 2 on May 6, 2021. On June 3, 2021, the Senate Committee on Financial Institutions and Revenue voted to recommend adoption of both amendments, and the bill, as amended, all on votes of Ayes, 5; Noes, 0.

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¹ The bill incorporates a definition of “marketplace provider” that was created by 2019 Wisconsin Act 10 for purposes of sales and use tax provisions. Specifically, “marketplace provider” means any person who facilitates a retail sale by a seller by listing or advertising for sale by the seller, in any manner, of certain goods and services and, who directly or indirectly, through agreements or arrangements with third parties, processes the payment from the purchaser for the retail sale, regardless of whether the person receives compensation or other consideration in exchange for the services provided. [s. 77.51(7i), Stats.]