



**ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 1995 ASSEMBLY BILL 23**

March 20, 1996 – Offered by COMMITTEE ON WAYS AND MEANS.

1 **AN ACT to amend** 77.52 (13); and **to create** 77.54 (9b) of the statutes; **relating**  
2 **to:** sales taxes and use taxes on materials used in construction for units of  
3 government.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

4 **SECTION 1.** 77.52 (13) of the statutes is amended to read:  
5 77.52 (13) For the purpose of the proper administration of this section and to  
6 prevent evasion of the sales tax it shall be presumed that all receipts are subject to  
7 the tax until the contrary is established. The burden of proving that a sale of tangible  
8 personal property or services is not a taxable sale at retail is upon the person who  
9 makes the sale unless that person takes from the purchaser a certificate to the effect  
10 that the property or service is purchased for resale or is otherwise exempt. A  
11 contractor or subcontractor who purchases materials that are exempt under s. 77.54  
12 (9b) shall certify the intended exempt use of the materials to each supplier on a  
13 certificate of exemption and present a statement from the unit of government that

1 the materials are to be used in real property construction activities for the unit of  
2 government.

3 **SECTION 2.** 77.54 (9b) of the statutes is created to read:

4 77.54 **(9b)** The gross receipts from the sale of and the storage, use or other  
5 consumption of tangible personal property that becomes a component part of a real  
6 property improvement for an entity under sub. (9a) (b) to (e).

7 **SECTION 3. Initial applicability.**

8 (1) This act first applies to tangible personal property provided under a  
9 contract entered into on the first day of the 2nd month beginning after publication.

10 (END)