



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-0269/P2
JK:cjs:jf

DOA:.....Ley, BB0067 – Sales price and purchase price definitions for taxes imposed on retailers which may be passed on to consumers

FOR 2013-2015 BUDGET -- NOT READY FOR INTRODUCTION

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

Analysis by the Legislative Reference Bureau

TAXATION

OTHER TAXATION

Under this bill, for sales and use tax purposes, the definition of “purchase price” and “sales price” does not include taxes imposed on the seller that are separately stated on the invoice, bill of sale, or similar document that the seller gives to the purchaser if the law imposing or authorizing the tax provides that the seller may, but is not required to, pass on to and collect the tax from the user or consumer.

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:

SECTION 1. 66.0615 (1m) (a) of the statutes is amended to read:

66.0615 (1m) (a) The governing body of a municipality may enact an ordinance, and a district, under par. (e), may adopt a resolution, imposing a tax on the privilege

of furnishing, at retail, except sales for resale, rooms or lodging to transients by hotelkeepers, motel operators and other persons furnishing accommodations that are available to the public, irrespective of whether membership is required for use of the accommodations. A tax imposed under this paragraph is ~~not subject to the selective sales tax imposed by s. 77.52 (2) (a) 1. and~~ may be collected from the consumer or user, but may not be imposed on sales to the federal government and persons listed under s. 77.54 (9a). A tax imposed under this paragraph by a municipality shall be paid to the municipality and may be forwarded to a commission if one is created under par. (c), as provided in par. (d). Except as provided in par. (am), a tax imposed under this paragraph by a municipality may not exceed 8%. Except as provided in par. (am), if a tax greater than 8% under this paragraph is in effect on May 13, 1994, the municipality imposing the tax shall reduce the tax to 8%, effective on June 1, 1994.

SECTION 2. 77.51 (12m) (a) 2. of the statutes is amended to read:

77.51 **(12m)** (a) 2. The cost of materials used, labor or service cost, interest, losses, all costs of transportation to the seller, all taxes imposed on the seller, except as provided in par. (b) 3m., and any other expense of the seller.

SECTION 3. 77.51 (12m) (b) 3m. of the statutes is created to read:

77.51 **(12m)** (b) 3m. Taxes imposed on the seller that are separately stated on the invoice, bill of sale, or similar document that the seller gives to the purchaser if the law imposing or authorizing the tax provides that the seller may, but is not required to, pass on to and collect the tax from the user or consumer.

SECTION 4. 77.51 (15b) (a) 2. of the statutes is amended to read:

77.51 **(15b)** (a) 2. The cost of materials used, labor or service cost, interest, losses, all costs of transportation to the seller, all taxes imposed on the seller, except as provided in par. (b) 3m., and any other expense of the seller.

SECTION 5. 77.51 (15b) (b) 3m. of the statutes is created to read:

77.51 **(15b)** (b) 3m. Taxes imposed on the seller that are separately stated on the invoice, bill of sale, or similar document that the seller gives to the purchaser if the law imposing or authorizing the tax provides that the seller may, but is not required to, pass on to and collect the tax from the user or consumer.

(END)