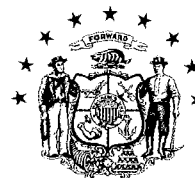




# SONDY POPE

STATE REPRESENTATIVE  
80TH ASSEMBLY DISTRICT



October 5, 2017

## Testimony on Assembly Bill 265

Thank you Chairman Macco and members of the committee for hearing this bill today. Assembly Bill 265 creates a sales and use tax exemption for materials used to build memorials owned by a veterans organization. Wisconsin has always had a proud tradition of honoring those who have sacrificed for our state and country, and this bill is another step in continuing that tradition.

Under current law, a certificate of exempt status (CES) allows a group, usually non-profit, to purchase items without incurring the additional cost of a sales tax. An example of this would be the Red Cross having CES for supplies (tables, chairs, food etc.) for a blood drive. CES status is governed by WI State Stat. 77.54, section (9a) part (f), which allows sales and use tax exemptions for corporations, foundations or associations that operate exclusively for religious, charitable, scientific or educational purposes, or for the prevention of cruelty to children or animals, but excluding hospital insurance corporations.

This statute covers nearly all organizations typically known as “non-profit” organized under the Internal Revenue Service (IRS) code 501(c)(3). Veterans organizations are classified under code 501(c)(19) and are not exempt from Wisconsin sales tax as they do not exist for the purposes outlined in the statute. If passed, this bill would include veterans organizations in sales and use tax exemptions should they choose to commemorate and honor surviving and/or fallen service members with a memorial. This exemption for supplies and materials comes at little cost to the state. A fiscal estimate prepared by the Department of Revenue (DOR) projects a “minimal revenue decrease.”

As the daughter of a WWII veteran, I feel strongly that we can always find new ways to honor those who have served our county. By eliminating the sales tax burden on veterans organizations who choose to build memorials, we encourage construction of these memorials. They not only honor those who served, but can also strengthen the local economy, while also deepening a sense of community and appreciation for veterans.

I ask the committee for their support on this bill which will help veterans organizations honor and preserve the memory of those who have served. Thank you.

# VETERANS OF FOREIGN WARS

OF THE UNITED STATES



DEPARTMENT OF WISCONSIN

**October 5, 2017**

**Public Testimony of Michael L. "Gunner" Furgal, State Legislative Chairman, Veterans of Foreign Wars, Department of Wisconsin**

**Re: Assembly Bill 265**

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Good morning, Chairman Macco and members of the Ways and Means Committee. I am Mike "Gunner" Furgal, State Legislative Chairman, Veterans of Foreign Wars, Department of Wisconsin. I'm grateful for the opportunity to testify in support of Assembly Bill 265 on behalf of our State Commander, "Trapper" John Schultz, and the nearly 40,000 members and auxiliary located in 266 posts throughout our great state.

I thank Representative Pope for crafting this legislation and her dedication to see it move forward.

It is time that Wisconsin recognizes the hard work and dedication of veterans' service organizations to perpetuate the memory and history of our departed comrades. Exempting the sales and use tax on building materials used to construct a war memorial is a small price to pay to honor those who have given so much to keep this nation free.

As the fiscal estimate to this bill notes the monetary impact on the state budget would be minimal. The estimated cost of the war memorial being built in the village of Brooklyn in my home county of Green is approximately \$110,000. Assuming material costs to be 50% of the total only \$55,000 would be subject to the tax.

Thank you again for holding a public hearing on AB 265. I am happy to answer any questions.