



State of Wisconsin
2001 - 2002 LEGISLATURE

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ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2001 ASSEMBLY BILL 64

March 7, 2001 - Offered by COMMITTEE ON WAYS AND MEANS.

1 **AN ACT to amend** 77.51 (4) (a) 2., 77.51 (4) (c) 2., 77.51 (15) (a) 2., 77.51 (15) (c)
2 1. and 77.982 (2); and **to create** 77.51 (4) (b) 2m. and 77.51 (15) (b) 2m. of the
3 statutes; **relating to:** the sales tax and the use tax on tips and gratuities.

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

4 **SECTION 1.** 77.51 (4) (a) 2. of the statutes is amended to read:
5 77.51 (4) (a) 2. The cost of the materials used, labor or service cost, interest
6 paid, losses, or any other expense, except as provided in par. (b) 2m.;

7 **SECTION 2.** 77.51 (4) (b) 2m. of the statutes is created to read:
8 77.51 (4) (b) 2m. Any fee, service charge, labor charge, or other addition to the
9 price, for the sale of meals, food, food products, or beverages, that represents or is in
10 lieu of a tip or gratuity, if listed separately on the receipt that the retailer gives to the
11 purchaser.

12 **SECTION 3.** 77.51 (4) (c) 2. of the statutes is amended to read:

1 77.51 (4) (c) 2. ~~Any~~ Except as provided in par. (b) 2m., any services that are a
2 part of the sale of tangible personal property, including any fee, service charge, labor
3 charge, or other addition to the price charged a customer by the retailer which
4 represents or is in lieu of a tip or gratuity.

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

6 77.51 (15) (a) 2. The cost of the materials used, labor or service cost, losses, or
7 any other expenses, except as provided in par. (b) 2m.

8 **SECTION 5.** 77.51 (15) (b) 2m. of the statutes is created to read:

9 77.51 (15) (b) 2m. Any fee, service charge, labor charge, or other addition to the
10 price, for the sale of meals, food, food products, or beverages, that represents or is in
11 lieu of a tip or gratuity, if listed separately on the receipt that the retailer gives to the
12 purchaser.

13 **SECTION 6.** 77.51 (15) (c) 1. of the statutes is amended to read:

14 77.51 (15) (c) 1. ~~Any~~ Except as provided in par. (b) 2m., any services that are
15 a part of the sale of tangible personal property, including any fee, service charge,
16 labor charge, or other addition to the price charged a customer by the retailer which
17 represents or is in lieu of a tip or gratuity.

18 **SECTION 7.** 77.982 (2) of the statutes is amended to read:

19 77.982 (2) Sections 77.51 (4) (a), (b) 1., 2., 2m., and 4., (c) 1. to 3., and (d), (14)
20 (a) to (f), (j), and (k), and (14g), 77.52 (3), (6), (13), (14), (18), and (19), 77.58 (1) to (5)
21 and (7), 77.59, 77.60, 77.61 (2), (5), (8), (9), and (12) to (14), and 77.62, as they apply
22 to the taxes under subch. III, apply to the tax under this subchapter. Sections 77.72
23 (1) and 77.73, as they apply to the taxes under subch. V, apply to the tax under this
24 subchapter.

25 **SECTION 8. Effective date.**

